

**2019/2020**  
**INTEGRATED DEVELOPMENT PLAN (IDP)**  
**FOR**  
**NONGOMA LOCAL MUNICIPALITY**



Compiled by: The IDP/PMS Unit  
Office of the Municipal Manager  
Nongoma Local Municipality  
Lot 103 Main Street/P.O. Box 84,  
Nongoma 3950

Tel: 035 – 831 7500

## Table of Contents

THE MAYOR'S FOREWORD.....	15
THE MUNICIPAL MANAGER'S OVERVIEW.....	16
POLITICAL STRUCTURE.....	18
LIST OF COUNCILLORS.....	19
1. SECTION A: EXECUTIVE SUMMARY .....	21
1.1. Overview of the Municipality.....	21
1.2. Brief Demographic Profile for Nongoma Local Municipality .....	22
1.2.1. Population.....	22
1.3. Development of the 2019/2020 Integrated Development Plan .....	24
1.3.1. Summary of Activities for the 18/19 IDP Preparation Process .....	25
1.4. MEC COMMENTS ON THE 2018/2019 IDP ASSESSMENT .....	26
1.5. Strategic Approach to Development.....	30
1.6. THE VISION.....	33
1.6.2. Key Outcomes for the Nongoma Local Municipality .....	34
1.6.3. Measuring Progress.....	34
2. SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES.....	36
2.1. Introduction .....	36
2.2. Sustainable Development Goals (SDGs).....	37
2.3. National Development Plan.....	38
2.4. STATE OF THE NATION'S ADDRESS (SONA) .....	38
2.5. The Provincial Growth and Development Strategy (PGDS) .....	39
2.6. Provincial Growth and Development Plan (PGDP) .....	39
2.7. District Growth and Development Plan.....	39
2.8. The Back to Basics.....	40
3. SECTION C: SITUATION ANALYSIS .....	41
3.1. DEMOGRAPHIC CHARACTERISTICS .....	41
3.1.1. BROAD AGE CATEGORIES, AGE/SEX STRUCTURE AND DEPENDENCY RATIO .....	41
1. AGE/SEX STRUCTURE .....	41
2. DEPENDENCY RATIO .....	42
3. DEMOGRAPHIC DIVIDEND ANALYSIS.....	42
4. LEVELS OF EDUCATION .....	43
5. HOUSEHOLDS CHARECTARESTICS .....	43

3.2. CROSS CUTTING ISSUE: SPATIAL, ENVIRONMENTAL & DISASTER MANAGEMENT ANALYSIS .....	45
3.2.1 SPATIAL ANALYSIS .....	45
3.2.1.1. Settlement Patterns.....	45
3.2.1.2. Broad Land Use Pattern .....	49
I) Settlements/Residential Uses.....	49
II) Commercial Uses .....	50
3.2.1.3. Land Legal .....	50
I) Beneficial Occupational Rights.....	50
II) PTOs, Leases and Servitudes.....	50
III) Land ownership .....	52
3.2.1.4. Land Use Management .....	53
I) Nongoma Land Use Scheme .....	53
II) Land Use Management in Rural Areas .....	53
III) Land Use Management issues.....	54
3.2.1.5. Spatial Trends and Patterns.....	54
I) Rural Settlement Dynamics .....	54
II) Settlement Growth.....	55
III) Settlement Sprawl .....	55
IV) Impact of Traditional Land Allocation System .....	55
3.2.1.6. Nodes and Corridors.....	55
NODES WITHIN NONGOMA LM .....	57
A. Primary Nodes.....	57
B. Secondary Nodes.....	59
C. Tertiary Nodes .....	59
3.2.1.6. Development Corridors.....	59
A. Harnessing Economic Development Corridors.....	60
B. Harnessing The Cultural Heritage Development Corridors .....	60
C. Investing In Rural Industrialisation .....	61
3.2.1.7. Regional Development Corridors.....	61
A. Secondary Corridors .....	61
B. Tertiary Roads Movements .....	62
C. Agricultural Corridors.....	62

D. Tourism Corridors.....	62
3.3. ENVIRONMENTAL ANALYSIS.....	63
3.3.1. THE BIOPHYSICAL CONTEXT.....	63
I) Climate.....	63
II) Geology and Topography .....	64
III) Natural Landscape Character .....	66
IV) Drainage and Surface Water features.....	67
V) Land cover and Vegetation .....	69
VII) Agriculture potential .....	71
VIII) Air .....	72
IX) Cultural Sites, Heritage Sites and Protected Buildings.....	72
3.3.2. ENVIRONMENTAL CHANGE, IMPACTS AND PRIORITIES .....	73
3.3.3. PROTECTED AREAS AND CRITICAL BIODIVERSITY AREAS .....	74
3.3.4. AREAS OF ENVIRONMENTAL SENSITIVITY.....	75
3.3.5. STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA) .....	76
3.3.6. WASTE MANAGEMENT .....	78
A. Waste Management Strategies, Systems and Practices.....	79
1. General appearance.....	79
2. Waste collection.....	79
3. Organic and rubble waste collection .....	80
4. Medical and hazardous waste collection .....	80
5. Waste collection initiatives .....	80
6. Waste re-use and recycling .....	80
7. Composting .....	81
B. Waste Management Facilities .....	81
1. Waste disposal site.....	81
3. IWMP Implementation progress to date .....	82
3.3.7. DISASTER MANAGEMENT .....	82
3.3.7.1. Arrangements for the implementation of disaster risk management policy and legislation.....	82
3.3.7.2. The Municipal Disaster Management Centre (MDMC) .....	82
3.3.7.3 Nongoma Municipal Disaster Management and Fire & Rescue Services.....	83
3.3.7.4. Disaster Risk Management nodal points.....	83

3.3.7.5. Ward-Based Disaster Management Structures .....	83
3.3.7.6. Disaster Management Volunteers .....	84
3.3.7.7. Disaster Risk Profile .....	84
3.3.7.8. High priority disaster risks .....	86
3.3.7.9. Incorporation of disaster risk reduction planning into IDP .....	89
3.3.7.10. Implementation and monitoring of disaster risk reduction programmes and initiatives .....	89
3.3.7.11. Key performance area for Response and recovery .....	89
3.3.7.12. DISASTER MANAGEMENT SWOT ANALYSIS .....	89
3.3.13. SWOT ANALYSIS: CROSS-CUTTING ISSUES .....	90
3.4. MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT .....	91
3.4.1. POLITICAL STRUCTURE OF THE MUNICIPALITY .....	91
3.4.2. MUNICIPAL POWERS AND FUNCTIONS .....	92
3.4.3. ADMINISTRATIVE STRUCTURE OF THE MUNICIPALITY .....	93
3.4.3.1. Corporate Services .....	93
3.4.3.2. Office of the Municipal Manager .....	95
3.4.3.4. Disaster, Protection & Social Services .....	97
3.2.3.5. Technical Services Department .....	98
3.2.3.6. Planning and Economic Development .....	99
3.2.3.7. Vacancy Rate .....	99
3.4.4. HUMAN RESOURCES DEVELOPMENT STRATEGY .....	100
3.4.5. EMPLOYMENT EQUITY PLAN .....	100
3.4.6. WORKPLACE SKILLS PLAN .....	101
3.4.7. RECRUITMENT, SELECTION AND RETENTION STRATEGY .....	101
3.4.8. List of HR Policies .....	102
3.4.9. INFORMATION & COMMUNICATION TECHNOLOGY (ICT) FRAMEWORK .....	103
1. BENEFITS OF CORPORATE GOVERNANCE OF ICT .....	103
2. Status on the progress of Implementation of ICT Policy Framework .....	104
3.4.10. SWOT ANALYSIS MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT .....	104
3.5. BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT .....	106
3.5.1. WATER AND SANITATION .....	106
1. WATER SERVICES LEVELS .....	106
2. DROUGHT RELIEF PROGRAMME .....	109

3. SANITATION SERVICES LEVELS .....	109
3.5.2. ENERGY SERVICES LEVELS .....	111
3.5.3. ELECTRICIFICATION BACKLOG .....	112
3.5.4. REFUSE REMOVALS SERVICES LEVELS.....	116
3.5.5. SUMMATIVE ANALYSIS TO BASIC SERVICE DELIVERY LEVELS.....	117
3.5.6. TRANSPORT INFRASTRUCUTE SERVICES LEVELS.....	118
I) ROAD NETWORK.....	118
II) OPERATIONS AND MAINTANCE PLAN.....	119
3.5.7. ACCESS TO COMMUNITY FACILITIES .....	120
1. EDUCATION .....	120
2. HEALTH FACILITIES .....	121
3. SAFETY AND SECURITY .....	123
I) POLICE STATION.....	123
4. BURIAL FACILITIES .....	124
3.5.8. TELECOMMUNICATIONS .....	124
3.5.9. HUMAN SETTLEMENT .....	125
I) Housing Segments and Need.....	125
li) Mechanism for Coordination of Housing Projects.....	127
3.5.14. SWOT ANALYSIS FOR BASIC SERVICE DELIVERY & INFRASTRUCTURE .....	128
3.6. LOCAL ECONOMIC DEVELOPMENT (LED) AND SOCIAL DEVELOPMENT .....	129
3.6.1. LOCAL DEVELOPMENT STRATEGY .....	129
3.6.1.1. SOCIO-ECONOMIC PROFILE OF NONGOMA MUNICIPALITY.....	129
1. WORKING AGE .....	129
2. UNEMPLOYMENT .....	129
3. ECONOMIC TRENDS.....	129
4. GVA Contribution.....	129
5. EMPLOYMENT .....	130
3.6.1.2. NONGOMA AGRICULTURAL STRATEGY .....	131
1. NONGOMA AGRICULTURE PROFILE.....	131
2. Agricultural corridors.....	132
3. PESTEL and SWOT Analysis.....	132
4. SWOT Analysis in relation to Agriculture in Nongoma municipality .....	134
3.6.1.3. NONGOMA INVESTMENT PROFILE .....	135

1. Public Investment.....	135
2. Private Investment.....	135
3. Private Investment per Sector .....	136
4. COMPETITIVE ADVANTAGE .....	137
5. INVESTMENT PROMOTION AND FACILITATION STRATEGY.....	138
6. INVESTMENT PROMOTION .....	139
7. INVESTMENT FACILITATION.....	140
8. INVESTMENT AFTERCARE .....	142
9. BUSINESS RETENTION AND EXPANSION.....	142
10. ANALYSIS AND EVALUATION .....	142
11. INFORMAL ECONOMY POLICY .....	143
3.6.1.4. HUMAN RESOURCES CAPACITY TO IMPLEMENT LED STRATEGY .....	143
3.6.1.5. LED INSTITUTIONAL ARRANGEMENTS.....	144
3.6.1.5. LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS .....	145
3.6.2. SOCIAL DEVELOPEMENT.....	147
3.6.2.1. WARD-BASED PLANNING.....	147
3.6.2.2. Nation Building & Social Cohesion .....	150
3.6.2.3. EXPANDEND PUBLIC WORKS PROGRAMME (EPWP).....	150
3.7. FINANCIAL VIABILITY AND MANAGEMENT .....	151
3.7.1. Audit Opinions .....	151
3.7.2. Operating Revenue and Expenditure Framework .....	151
3.7.3. Capital Projects Indicated in Order of Prioritization and Project Duration .....	153
3.7.4. Investment Register .....	156
3.7.5. Social and Economic Redress via indigent management.....	156
3.7.6. Revenue Protection.....	156
1. 2019/20 Financial Year .....	157
3.7.7. Municipal tariffs.....	158
3.7.8. Property Rates.....	158
3.7.9. Financial Management – SCM.....	158
3.7.10. ASSET MANAGEMENT .....	159
3.7.11. REPAIRS AND MAINTANANCE .....	161
3.7.12. Financial Viability/ Sustainability .....	162
3.7.13. Loans/ Borrowings and Grant Dependency .....	162

3.7.14. OVERSIGHT COMMITTEE .....	163
3.7.15. CHALLENGES and INTERVENTIONS .....	163
3.7.16. SWOT Analysis for Financial Management and Municipal Viability .....	164
3.8. GOOD GOVERNANCE & PUBLIC PARTICIPATION.....	165
3.8.1. GOOD GOVERNANCE .....	165
1. BATHO PELE POLICY AND PROCEDURE MANUAL .....	165
2. SERVICE DELIVERY IMPROVEMENT PLAN (SDIP) .....	166
3. SERVICE DELIVERY CHARTER AND STANDARDS.....	166
4. OPERATION SUKUMA SAKHE.....	166
6. COMMUNITY DEVELOPMENT WORKS PROGRAMME .....	167
7. INTER-GOVERNMENTAL RELATIONS (IGR).....	168
7.1. LEGISLATIVE BACKGROUND.....	168
7.2. STATUS & FUNCTIONALITY OF INTER-GOVERNMENTAL STRUCTURES (IGR). 168	
8. MUNICIPAL STRUCTURES.....	169
9. WARD COMMITTEE SYSTEM .....	169
3.8.2. PUBLIC PARTICIPATION .....	169
1. COMMUNICATION/PUBLIC PARTICIPATION STRATEGY.....	169
2. COMMUNITY PARTICIPATION IN THE IDP PROCESS .....	170
3. IDP/Budget Izimbizo 2018/2019.....	170
4. DRAFT 2019/2020 IDP/BUDGET MEETINGS .....	170
3.8.3. FUNCTIONALITY OF MANAGEMENT STRUCTURES .....	171
1. IDP STEERING COMMITTEE.....	171
2. PORFOLIO COMMITTEES .....	171
3.8.4. AUDIT .....	172
1. INTERNAL AUDIT .....	172
2. AUDIT COMMITTEE .....	172
3.8.5. SWOT ANALYSIS: GOOD GOVERNANCE & PUBLIC PARTICIPATION .....	173
3.9. COMBINED SWOT ANALYSIS .....	173
3.10. ORGANISATIONAL SWOT ANALYSIS.....	177
4. SECTION D: DEVELOPMENT GOALS AND OBJECTIVES .....	178
4.1. VISION FOR NONGOMA LOCAL MUNICIPALITY.....	178
4.2. MISSION STATEMENT .....	178
4.3. VALUES .....	179

4.4 PRIORITIES.....	179
4.5. KEY OUTCOMES FOR THE NONGOMA LOCAL MUNICIPALITY .....	179
4.6. STRATEGIC OBJECTIVES, STRATEGIES AND TARGETS .....	179
5. SECTION E: SPATIAL STRATEGIC INTERVENTION .....	187
5.1. STRATEGIC MAPPING.....	187
5.3 Provincial Strategic Priority Areas .....	190
6. SECTION F: FINANCIAL PLAN.....	193
6.1. BACKGROUND .....	193
6.2. BUDGET SUMMARY .....	193
6.3. CAPITAL BUDGET SUMMARY .....	194
6.4. OPERATIONAL BUDGET SUMMARY .....	197
6.4.1. Operating Revenue Framework.....	197
6.4.2. Operating Expenditure Framework.....	200
6.4.3. Funding of Operational Expenditure .....	201
6.5. FINANCIAL STRATEGY FRAMEWORK.....	202
6.5.2. Asset Management Strategy .....	202
6.5.4. Operational Financial Strategies.....	203
6.5.5. Capital Financing Strategies .....	203
6.5.6. Cost-effective strategy .....	203
6.5.7. Cost Cutting strategies.....	203
6.6. REVENUE MANAGEMENT FRAMEWORK .....	204
6.6. FINANCIAL MANAGEMENT POLICIES .....	204
7. SECTION G: ANNUAL OPERATIONAL PLAN .....	205
7.1. ORGANISATIONAL SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN ..	205
8. SECTION H: ORGANIZATIONAL AND INDIVIDUAL PMS .....	220
8.1. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS) -2019/2020	220
8.1.1. Preferred Performance Management Model.....	220
8.1.2. The process of managing performance.....	221
8.1.3. In-year performance reporting and review .....	222
8.1.4. Annual performance reporting and review .....	223
9. PROJECTS FOR 2019/2020 FY.....	225
<b>9.1 Infrastructure Projects .....</b>	<b>225</b>
9.1.1. BREAKDOWN OF INFRASTRUCTURE PROJECTS – 2019/2020 .....	225

9.2. HUMAN SETTLEMENT PROJECTS.....	228
9.2.1. CURRENT CONSTRUCTION STAGE PROJECTS:.....	228
9.2.2. PLANNING STAGE PROJECTS.....	229
9.2.3. PIPELINE PROJECTS.....	229
9.3. SECTOR DEPARTMENTAL PROJECTS.....	230
10. SECTION K: APPENDICES .....	231
Appendix 1 – Approved Municipal Organogram .....	231
Appendix 2 – ORGANISATIONAL SDBIP .....	231
Appendix 3 – Nongoma Local Municipality Spatial Development Framework: Quo Report (2019)	Status 231
Appendix 4 – Nongoma Local Municipality Disaster Management Plan.....	231
Appendix 5– Audit Action Plan.....	231
Appendix 6 – Indigent Policy .....	231
Appendix 7– Service Delivery Charter & Standards .....	231
Appendix 8 – Service Delivery Improvement Plan.....	231
Appendix 9 – Investment register .....	231



## TABLE OF FIGURES, MAPS AND TABLES

Map 1: Nongoma Locality Map (Nongoma SDF Stratus Quo report, 2019) .....	21
Map 2: Nongoma Traditional Authorities (Nongoma SDF Stratus Quo report, 2019) .....	22
Map 3: Nongoma Settlement Typologies, Nongoma SDF: Status Quo Report, 2019 .....	47
Map 4: Nongoma LM Density Map, Nongoma SDF: Status Quo report, 2019 .....	48
Map 5: Nongoma Town Settlement Map, Nongoma SDF: Status Quo report, 2019 .....	49
Map 6: Broad Landuse patterns in Nongoma LM, Nongoma SDF: Status Quo report, 2019 .....	51
Map 7: Ownership map for Nongoma municipality, Nongoma SDF: Status Quo report, 2019 ...	52
Map 8: Nodes & Corridors for Nongoma LM. ....	56
Map 9: Nongoma Urban Nodal Regeneration .....	58
Map 10 Corridor Map for Nongoma municipality .....	60
Map 11: Nongoma Climate Change Potential, Nongoma SDF: Status Quo report, 2019.....	64
Map 12: Nongoma Geological Character, Nongoma SDF: Status Quo report, 2019 .....	65
Map 13: Nongoma LM Topographical features, Nongoma SDF: Status Quo report, 2019.....	66
Map 14: Nongoma LM Hydrological Charectarestics, Nongoma LM SDF: Status Quo report, 2019.....	68
Map 15: Nongoma LM Major rivers and Catchments, Nongoma SDF: Status Quo report, 2019	69
Map 16: Nongoma LM Vegetation features, Nongoma LM SDF: Status Quo Report, 2019 .....	70
Map 17: Nongoma LM Agricultural Land categories, Nongoma LM SDF: Status Quo report, 2019.....	72
Map 18: Nongoma LM Heritage sites, Nongoma LM SDF: Status Quo report, 2019 .....	73
Map 19: Critical Biodiversity Areas within Nongoma, Nongoma SDF: Status Quo report, 2019.	75
Map 20: Veld Fires Hazard Risk in Nongoma LM, NLM Disaster Management Plan .....	85
Map 21: Flood Hazard Risk in Nongoma LM, NLM Disaster Management Plan .....	87
Map 22: Areas prone to Lightning in Nongoma LM, NLM Disaster Management Plan.....	88
Map 25: Bulk water supply in Nongoma municipality, Nongoma LM SDF: Status Quo report, 2019.....	108
Map 26: Nongoma Bulk Electrical Infrastructure Map, Nongoma LM SDF: Status Quo report, 2019.....	115
Map 27: Road network within Nongoma municipality, Nongoma SDF: Status Quo report, 2019 .....	118
Map 28: Education Facilities within Nongoma municipality, Nongoma LM SDF: Status Quo report, 2019 .....	120
Map 29: Health facilities within Nongoma LM, Nongoma LM SDF, 2019 .....	121
Map 30: Nongoma LM Police Station, Nongoma LM SDF: Status Quo report, 2019 .....	123
Map 31: Housing Backlog Assessment of Nongoma LM .....	126
Map 32: Nongoma municipality's Desired Spatial Outcomes.....	188

Table 1: Traditional Authorities within Nongoma LM .....	45
Table 2: Land ownership and Land Use within Nongoma LM.....	53
Table 3: Areas of Environmental Sensitivity within Nongoma LM, Urban Econ, 2009).....	75
Table 4: Municipal Powers and Functions.....	92
Table 5: Water Services Backlog in Nongoma LM (StatsSa, 2011) .....	108
Table 6 Access to sanitation in Nongoma LM (StatsSa, 2016) .....	110
Table 7: Access to energy or Fuel for cooking, heating & Lighting in Nongoma LM (StatsSa, 2016) .....	111
Table 8: Access to Electricity in Nongoma LM (StatsSa, 2016) .....	112
Table 9: Location of Health facilities in Nongoma LM.....	122
Table 10: Estimated Cemetery Land Requirements by 2020.....	124
Table 11: Housing Backlog against Households by Ward (StatsSa, 2011).....	127
Table 12: Fixed Capita Stock for Nongoma LM, Quantec, 2018.....	136
Table 13 Domestic investment within the Manufacturing sector for Nongoma Local Municipality, 2018 (Quantec 2018) .....	137
Table 14: Investment promotion in Nongoma LM, Insingo Projects, 2019 .....	139
Table 15: Investment facilitation in Nongoma LM, Insingo Projects, 2019 .....	140
Table 16: Investment Aftercare in Nongoma LM, Insingo Projects 2019 .....	142
Table 17: Factors that enable or hinder investment in Nongoma LM, Insingo Projects 2019 ...	142
Table 18: Summary of Revenue classified by main revenue source.....	152
Table 19: Operating Transfers and Grants Receipts .....	152
Table 20: Total outstanding debtors per category .....	157
Table 21: Debtors Outstanding for 2017/18 & 2016/17 financial years as per audited outcome .....	157
Table 22: Nongoma SCM Committees .....	159
Table 23: Asset Management .....	160
Table 24: Operational Repairs and Maintenance .....	161
Table 25: Nongoma LM's expenditure in the past years.....	200
Table 26: Major contributors of municipality's expenditure .....	200
Table 27: Operational Expenditure.....	201
Figure 1: Population Groups in Nongoma LM (StatsSa, 2011) .....	23
Figure 2: Gender Distribution in Nongoma LM (StatsSa, 2011).....	23
Figure 3: Population of Nongoma LM compared to the District between 2011 & 2016 .....	41
Figure 4: Sex & Age Distribution in Nongoma LM (StatsSa, 2011) .....	42
Figure 5: Education Levels in Nongoma LM (StatsSa, 2011) .....	43
Figure 6: Average Household Income in Nongoma LM (StatsSa, 2011).....	44
Figure 7: Employment for those between Ages 16 & 60 in Nongoma LM (StatsSa, 2011) .....	44
Figure 9: Refuse Services per Household in Nongoma LM (Nongoma IWMP, 2018) .....	79
Figure 10: Waste Disposal in Nongoma LM (StatsSa, 2011).....	79
Figure 11: Separation at the Landfill site (Nongoma IWMP, 2018) .....	81
Figure 12: Nongoma Top Management Organogram.....	93
Figure 13: Corporate Services Department Structure.....	94
Figure 14: Revised Structure: Office of the Municipal Manager.....	95
Figure 15: Revised Departmental Structure for Finance/BTO.....	96
Figure 16: Departmental Revised Structure: Disaster, Protection & Social Services .....	97
Figure 17: Revised Technical Services Departmental Structure .....	98

Figure 18: Revised Planning & Economic Development Structure .....	99
Figure 19: Water Sources within Nongoma LM (StatsSa, 2016).....	106
Figure 20: Access to Piped Water (StatsSa, 2016) .....	107
Figure 21: Toilet facilities in Nongoma LM.....	109
Figure 22: Access to toilet facilities/sanitation (StatsSa, 2016).....	110
Figure 23: Zululand Existing network, Eskom 2019.....	113
Figure 24: Zululand District Infrastructure Plan, Eskom 2019.....	114
Figure 25: Refuse Disposal in Nongoma LM .....	116
Figure 26: Summative Analysis to Basic Service Delivery .....	117
Figure 28: Nongoma LM Households Goods, StatsSa, 2011 .....	124
Figure 29: Access to Electricity in Nongoma LM, StatsSa, 2016 .....	125
Figure 30: Economic Contribution per Sector in Nongoma LM, Quantec, 2018 .....	130
Figure 31: Sectoral contribution to Employment in Nongoma LM, Quantec, 2018.....	131
Figure 32: Consolidated Overview of the 2019/20 MTREF.....	193
Figure 33: Capital Funding .....	194
Figure 34: Source of Capital Revenue for Nongoma LM .....	194
Figure 35: Budgeted Capital Expenditure by function.....	195
Figure 36: Summary of Budgeted Capital projects .....	196
Figure 37: Summary of revenue classification by main source .....	197
Figure 38: Revenue by source .....	198
Figure 39: Operating Grants & Subsidies allocated to Nongoma LM.....	199

## THE MAYOR'S FOREWORD



In my inaugural speech as a newly elected Mayor of KwaNongoma I made a pledge to residents. The pledge was to prioritise social accountability and municipal financial prudence. There was a context to this pledge.

The dominant narrative about Nongoma Municipality was that of a corrupt institution and the new administration was blamed for either indecision and/or lack of political will to deal with reported allegations.

This Integrated Development Plan (IDP) identifies 10 Key Outcome for Nongoma Local municipality. One of the outcomes ***“Practice sound, fraud and corrupt-free financial management practices for long-term sustainability of the municipality”*** (Outcome 10) seeks to implement the pledge indicated above.

As with any small and rural municipality; Nongoma municipality is on one hand characterized by limited financial resources, and ever increasing needs of the people on the other. It is therefore; critically important that such limited resources are allocated prudently

Nongoma municipality is also high unemployment rate which is then coupled with high rate of indigent households, and this affects debt collection of the Municipality.

Nongoma local municipality will ensure that all employees of the municipality are subscribed to Batho Pele principles. This in line with the municipal Outcome 9, i.e. ***“Effective and efficient communication within the institution, and to all stakeholders including community in line with Batho Pele principles”***

The IDP and budget was approved by the Council on the 30<sup>th</sup> May 2019, and the 1<sup>st</sup> of July 2019 will see the commencement of the implementation of the IDP which shall be managed through the SDBPs (both organizational and departmental). The implementation of the IDP will be communicated through various fora such as the IDP-RF meetings.

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Cllr M.A Mncwango  
His Worship, the Mayor

## THE MUNICIPAL MANAGER'S OVERVIEW



The preparation of Nongoma 2019/2020 IDP commenced in July 2018 with the Process plan that was developed and adopted by Council in August 2018. A strategic planning session was held on the 21<sup>st</sup> to 23<sup>rd</sup> of January 2019 at Natal Spa & Leisure Hotel in Paulpietersburg (Dumbe). The purpose of the strategic planning session was as follows:

1. To review service delivery mandate of Nongoma Local Municipality that will inform the Reviewed 2019/2020 IDP & Budget;
2. To review the Municipality's mission, vision, strategic objectives and organogram in line with reviewed government priorities as contained in the NDP, PGDP and DGDP; State of the Nation Address; State of the Province Address, and other various applicable policy directives;
3. To create a platform for the necessary culture of organizational Teamwork; Integration; and alignment across the Municipal machinery.

This IDP is a culmination of the above-indicated strategic planning session, the assessments by various stakeholders including COGTA, and also inputs from the community of Nongoma local municipality.

Nongoma local municipality received an adverse opinion for 2017/2018 FY. As such the municipality has been working tirelessly on changing and improving in as far as the audit opinion is concerned. Producing a credible IDP document and a well-aligned Performance Management System (PMS) has been and is our main objective; for we believe that a credible IDP and PMS will translate into ensure sound financial viability and management.

Integrated Development Plans are the most important mechanisms available to government to transform the structural differences in our previously divided society. Integrated development planning is a process by which the planning efforts of different spheres and sectors of government and other institutions are coordinated at local government level.

Communities cannot develop in isolation and integrated development planning ensures this. Through community engagements processes such as the IDP Consultative meetings, the communities of Nongoma Local Municipality have reaffirmed the need for water and sanitation, roads, housing, stormwater drainage, electricity, job creation, health, education, SMME empowerment and support, recreational facilities, etc. this means that not only is local government involved, but also Provincial and National Government Departments. Thus it will be critical for the municipality to strengthen its engagements with all stakeholders involved in the development process.

Informed by the priority needs of the communities, this IDP is geared towards improving the quality of life of the community through a particular focus on the following national KPAs:

- Municipal Transformation and Institutional Development;
- Basic Service Delivery and Infrastructure Development;
- Local Economic Development & Social Development;

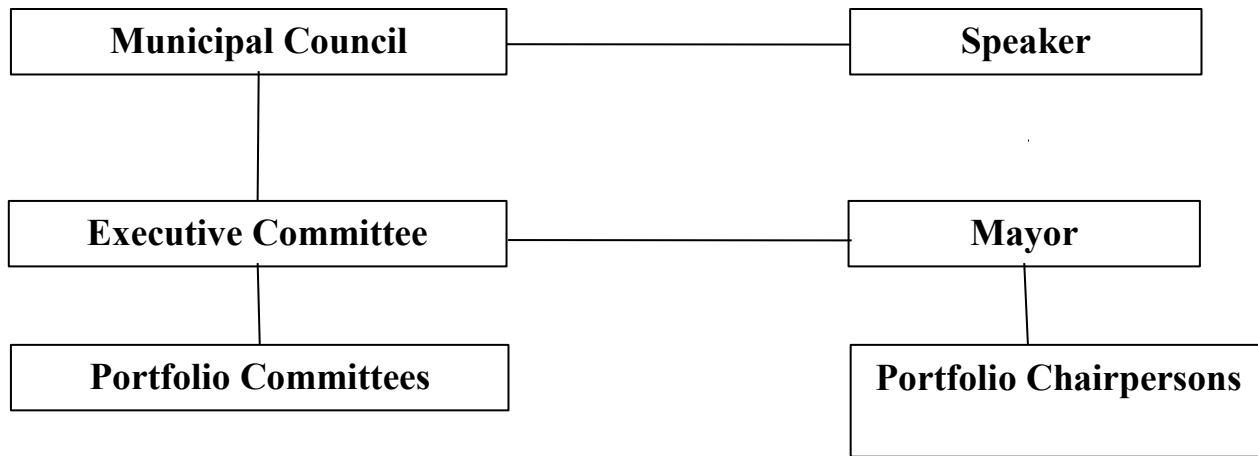
- Financial Viability and Management;
- Good Governance and Public Participation;
- Cross-cutting Issues.

The IDP for 2019/2020 financial year carries with it a service delivery contract between the community and the Municipal Council. As a Municipal Manager I am committed together with the municipal staff to ensure that commitments contained in this document are realized to the benefit of Nongoma community at large.

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Mrs NHM Dladla  
Acting Municipal Manager

## POLITICAL STRUCTURE



## LIST OF COUNCILLORS

No.	Initials and Surname	Position
1.	Cllr M.A Mncwango	The Mayor
2.	Cllr A.N Xulu	The Deputy Mayor
3.	Cllr B.W. Zulu	The Speaker
4.	Cllr S.A Hlongwane	ExCo Member
5.	Cllr A.N NdabaNdaba	ExCo Member
6.	Cllr B.J Ntshangase	ExCo Member
7.	Cllr N.M Mthembu	ExCo Member
8.	Cllr N.G Xaba	ExCo Member
9.	Cllr R.Z Buthelezi	ExCo Member
10.	Cllr M.E Nkosi	Ward Councillor
11.	Cllr J.T Dlamini	Ward Councillor
12.	Cllr A.M Mncwango	Ward Councillor
13.	Cllr M.S Hadebe	Ward Councillor
14.	Cllr N.B Nhleko	Ward Councillor
15.	Cllr B.G. Ntombela	Ward Councillor
16.	Cllr T.J. Nsele	Ward Councillor
17.	Cllr S.C Ngcobo	Ward Councillor
18.	Cllr T.M Ndwandwe	Ward Councillor
19.	Cllr M.A Mtshali	Ward Councillor
20.	Cllr S.M Mbatha	Ward Councillor
21.	Cllr T.N Mthethwa	Ward Councillor
22.	Cllr M.D Ndwandwe	Ward Councillor
23.	Cllr Z.S Hlongwa	Ward Councillor
24.	Cllr P. Nhleko	Ward Councillor
25.	Cllr K.M Mtshali	Ward Councillor
26.	Cllr N.M Mkhwanazi	PR Councillor (MPAC Chair)
27.	Cllr J.G. Zungu	PR Councillor

28.	Cllr M.P Mbatha	PR Councillor
29.	Cllr V.B Zulu	PR Councillor
30.	Cllr B.H Sithole	PR Councillor
31.	Cllr L.N Buthelezi	PR Councillor
32.	Cllr L.N Mdluli	PR Councillor
33.	Cllr N.P Mlambo	PR Councillor
34.	Cllr P.M Xhakaza	PR Councillor
35.	Cllr S.C Ndwandwe	PR Councillor
36.	Cllr S.K Hadebe	PR Councillor
37.	Cllr Cllr Z.N Sithole	PR Councillor
38.	Cllr N.S Magwaza	PR Councillor
39.	Cllr E.M Msimango	PR Councillor
40.	Cllr S Nxumalo	PR Councillor
41.	Cllr S Nxumalo	PR Councillor
42.	Cllr D.P Cebekhulu	PR Councillor

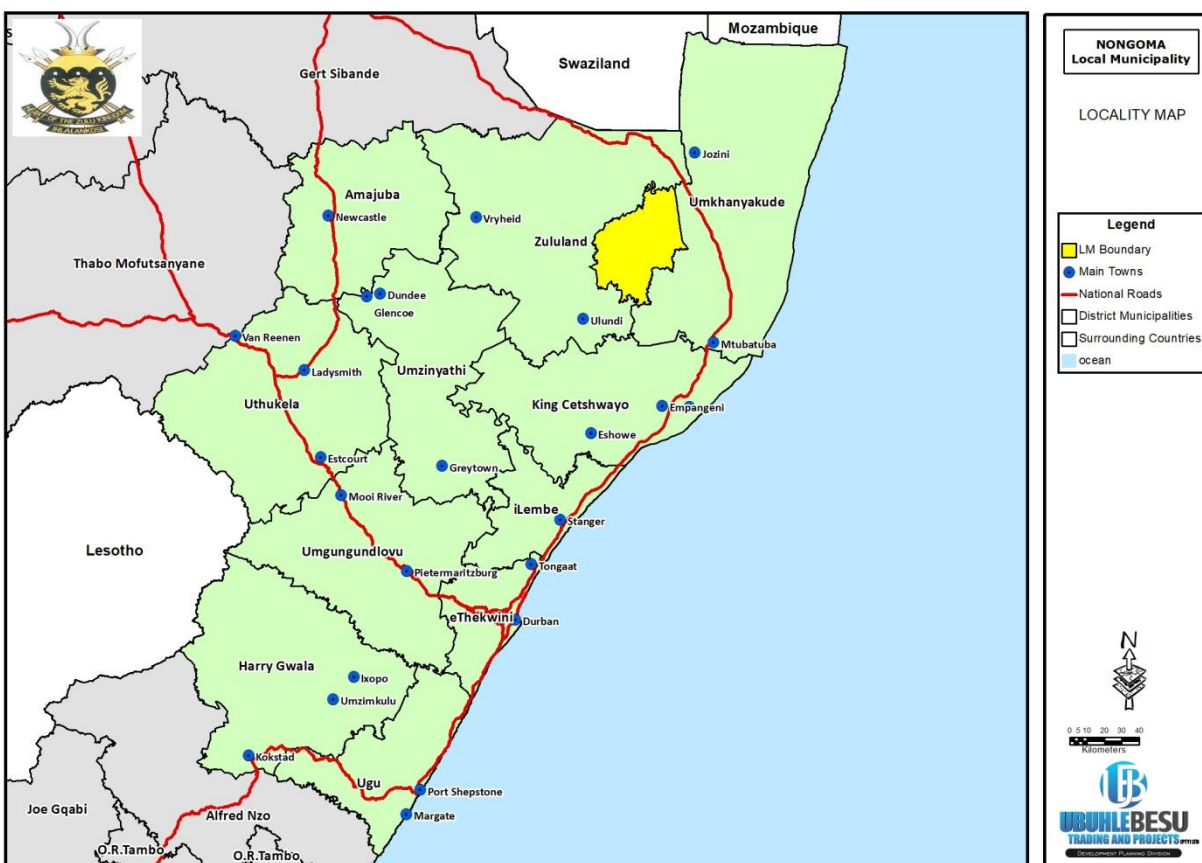
# 1. SECTION A: EXECUTIVE SUMMARY

## 1.1. Overview of the Municipality

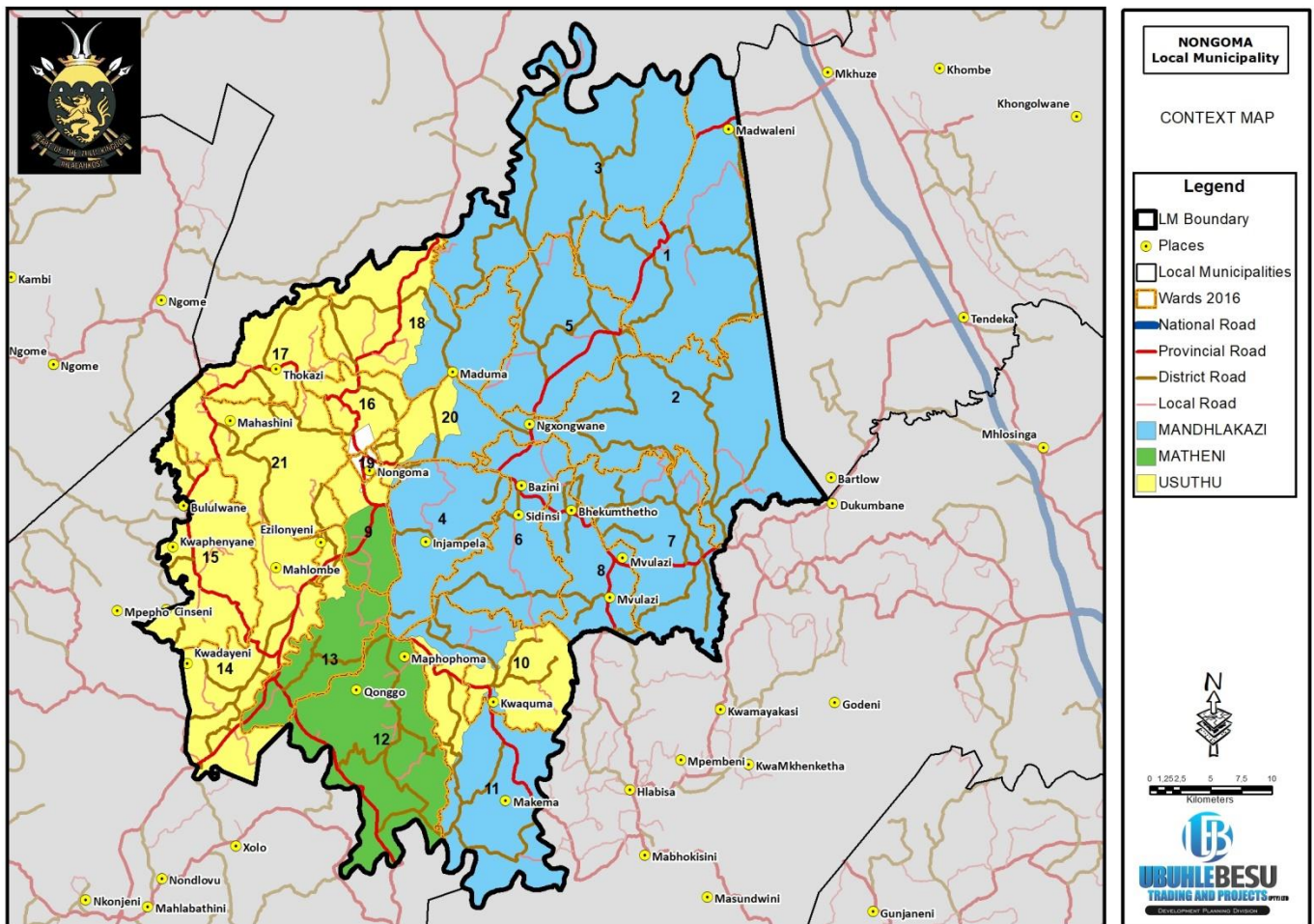
**Nongoma Local Municipality** is one of the 5 local municipalities within Zululand District; and is located in the northeastern part of Zululand District in the KwaZulu-Natal province of South Africa (27°55'S 31°39'E), it has two secondary corridors, which run from Ulundi to Pongola and from Hlabisa to Vryheid. At 2,185.5 km<sup>2</sup> and with a population totaling 211,893 (StatSa, Community Survey 2016); the municipality is Zululand's second largest municipality in terms of population and the second largest in terms of area size.

Nongoma municipality shares its name with the town of Nongoma, which serves as the seat of the municipality. It is the home of King Goodwill Zwelithini, the hereditary traditional leader of the Zulu nation, hence it is popularly known as the seat of the Zulu monarch. The King's royal palaces are among the main tourist attractions in the region. The municipality has three tribal authorities, namely Mandlakazi, Usuthu and Matheni. The Map below indicates the spatial location of Nongoma municipality. The municipality shares its boundaries with uMkhanyakude's Big 5 Hlabisa and Jozini Local municipalities on the South and the East respectively; and then within the Zululand District it shares its borders with Uphongolo in the North, Abaqulusi (West) and uLundi (South) municipalities.

Map 1: Nongoma Locality Map (Nongoma SDF Stratus Quo report, 2019)



Map 2: Nongoma Traditional Authorities (Nongoma SDF Stratus Quo report, 2019)



## 1.2. Brief Demographic Profile for Nongoma Local Municipality

### 1.2.1. Population

According to 2011 Statistics, Nongoma has a total population of 194 908. If compared with the 2001 statistics (198,443), it translates into a growth rate of -0, 18%. If population growth rate would be same as in period 2001-2011 (-0.18%/year), Nongoma population in 2019 would be: 192 125\*. However in terms of 2016 Community survey, the population of Nongoma had surpassed that mark, to 211 893, a growth rate of 1.90% per year.

In terms of racial characteristics; 99.5% of the people in the municipality are African Black, 0.10% are Coloured, with the other population groups making up the rest. Females make up 54.6% of the total population as compared to males (45.4%)

Figure 1: Population Groups in Nongoma LM (StatsSa, 2011)

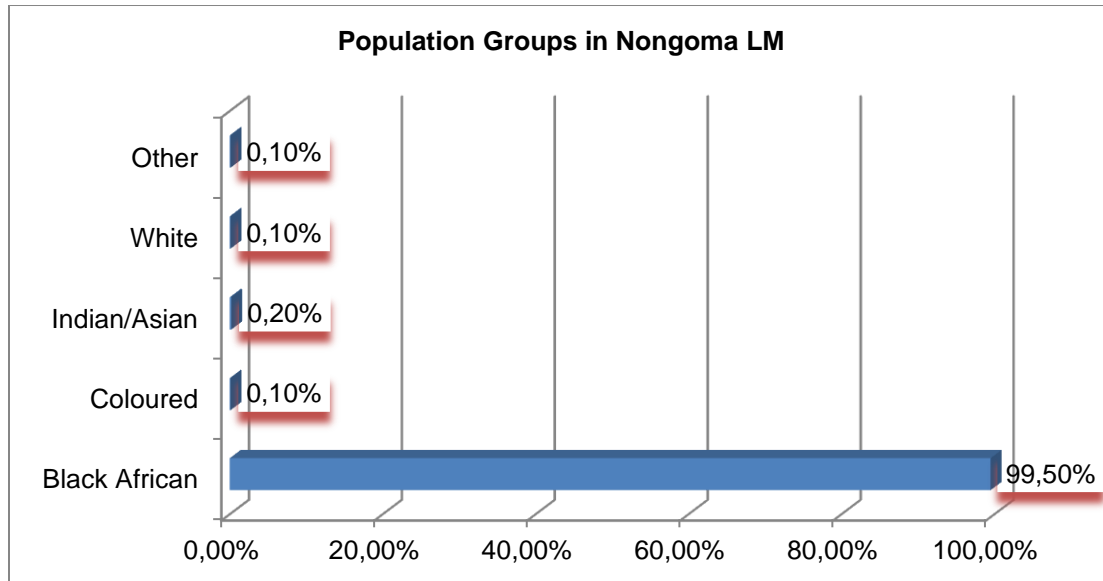
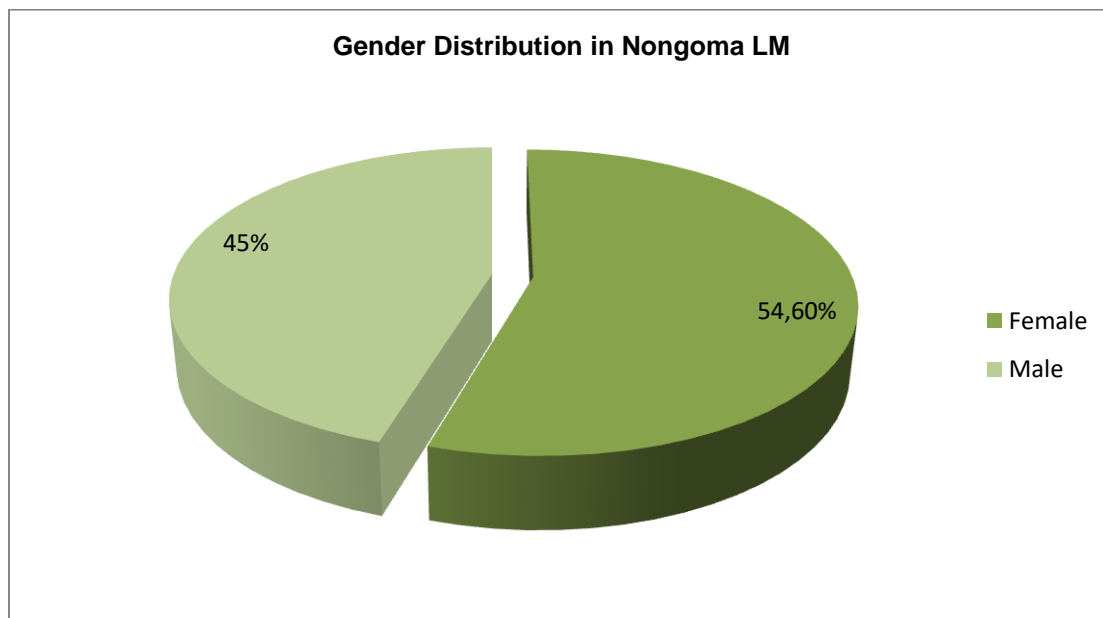


Figure 2: Gender Distribution in Nongoma LM (StatsSa, 2011)



### **1.3. Development of the 2019/2020 Integrated Development Plan**

Central to the review of the 2019/2020 IDP is the IDP Process Plan, which provides a framework upon which an IDP review process would happen. The process of reviewing the IDP was driven in-house. In line with Section 30 of the Municipal Systems Act which allows the Mayor of a municipality to assign the responsibility of IDP drafting process to the Municipal Manager; The IDP/PMS Unit in the office of the municipal Manager has been responsible for Day-to-Day Management of the IDP drafting process.

As a requirement towards the development/review of the IDP; an IDP Steering Committee must be formulated. Since the membership of the steering committee comprises of the Senior and middle management of the municipality; the IDP Steering Committee meetings have been fused and aligned with Management Committee meetings which sit every week (Wednesdays).

The IDP Manager compiles the IDP document through consultation with various sets of information and directs its output to the IDP Representative Forum for debates and further inputs and refinement of the plan. The IDP Representative Forum is the structure that provides a platform for public participation through involvement of different community structure representatives, political leaders, traditional leaders and government entities which provide support throughout the planning process.

Key elements that have been addressed in the IDP Review process include:

- Update the current development status,
- Comments received from the various role-players in the assessment of the IDP Review documentation for 2018/2019
- Shortcomings and weaknesses identified through self-assessment including poor coordination and management of the planning process, inadequate participation of internal structures in IDP process, poor public participation process and lack of performance monitoring and evaluation mechanisms
- Review of the Strategic elements of the IDP based on new council's priorities and management objectives
- Addressing areas requiring additional attention in terms of legislative requirements not addressed during the previous years of the IDP Review Process
- Alignment of the IDP with newly completed Sector Plans;
- The update of the Financial Plan, the list of projects (both internal and external funded), and the capital investment framework.

### 1.3.1. Summary of Activities for the 18/19 IDP Preparation Process

KEY ACTIVITY	KEY OUTPUT	BY WHOM?	TARGET DATE
<b>STEERING COMMITTEE MEETING</b>			<b>15 August 2018</b>
1. Development & Submission of the Process Plan	IDP Process Plan	Steering Committee	30 July 2018
2. Council Adoption of the Process Plan	Council Resolution	MM	30 July 2018
3. Advertisement of the Process Plan	Copy of an advert	IDP/PMS Unit & Finance	14 August 2018
4. Provincial IDP Feedback Session	Feedback on credibility of the IDP	COGTA	September 2018
<b>STEERING COMMITTEE MEETING</b>			<b>26 Septemeber 2018</b>
<b>IDP REPRESENTATIVE FORUM</b>			<b>28 Septemeber 2018</b>
5. Compilation of Situational Analysis	Status quo reports	Heads of Departments	November 2018
6. Municipal-wide analysis	<b>Needs Analysis reports</b>	<b>MM, Mayor &amp; Council</b>	<b>December 2018</b>
<b>STRATEGIC PLANNING SESSION</b>			<b>05 December 2018</b>
7. Identification of Priority Issues	Priority issues report	Steering Committee	05 December 2018
8. Consolidation of Analysis results	Analysis Chapter of the IDP	IDP/PMS Unit	05 December 2018
9. Development of Objectives & Strategies	Draft Strategies	Municipal Departments	05 December 2018
10. Identification of Priority Projects	Draft list of 2019/2020 Projects	Portfolio Committees	January 2019
<b>STEERING COMMITTEE MEETING</b>			<b>06 February 2019</b>
<b>IDP REPRESENTATIVE FORUM</b>			<b>14 March 2019</b>
11. Finalization of the IDP Document	Draft IDP	IDP/PMS Unit	22 March 2019
<b>STEERING COMMITTEE MEETING</b>			<b>17 April 2019</b>
12. Opportunity for Comments by Provincial/National Departments & Parastatals	Attendance and presentation at Provincial Assessments week	Heads of Departments and IDP/PMS Unit	20 April 2019
13. Incorporating and Responding to Comments from Provincial/National Departments & Parastatals	Submitted Project Proposals	Heads of Departments and IDP/PMS Unit	25 April 2019
14. Opportunity for Public Comments	Municipal-wide Public Consultation Meetings	Municipal Council	April 2019 (09,10,11,12)
<b>STEERING COMMITTEE MEETING</b>			<b>30 April 2019</b>
<b>IDP REPRESENTATIVE FORUM</b>			<b>02 May 2019</b>
15. Final Adoption of the IDP	Final IDP Document	Council	30 May 2019
16. Submission of an IDP Document to COGTA	Final IDP & Acknowledgement letter from COGTA	IDP/PMS Unit	<b>Within 10 Days of Adoption by the Council</b>
17. Advertisement of the IDP Document for Noting	Copy of an advert	IDP/PMS Unit & Finance	June 2019

## 1.4. MEC COMMENTS ON THE 2018/2019 IDP ASSESSMENT

KEY PERFORMANCE AREAS (KPA)	COMMENTS BY THE MEC	RESPONSE/PROGRESS MADE IN ADDRESSING THE COMMENTS
Institutional Development and Organisational Transformation	<ul style="list-style-type: none"> <li>- Develop a Human Resource Plan, aligned to Human Resource Strategy.</li> <li>- Reflect Employment Equity Targets, and also</li> <li>- Reflect the trainings and quantify beneficiaries as per the Workplace Skills Plan.</li> <li>- Adoption Status of the Organogram is not indicated.</li> </ul>	Workplace Skills Plan beneficiaries addressed in the document (Refer to page 100). Revised organogram is attached as an appendix
Basic Services Delivery and Infrastructure Development	<ul style="list-style-type: none"> <li>- Update information &amp; Improve legibility of maps on water &amp; sanitation projects.</li> <li>- Does the municipality own a Landfill site?</li> <li>- Alignment of Housing Sector Plan (HSP) &amp; the KZN Master Spatial Plan could not be evaluated to due non-submission of the HSP.</li> <li>- Housing Sector Plan must be reviewed in line with KZN Master Spatial Plan.</li> </ul>	The issues raised have been addressed accordingly in the document.
Local Economic Development	<ul style="list-style-type: none"> <li>- Review &amp; Adopt the LED Strategy in line with the PGDS and DGDP</li> <li>- Pronounce the total contribution to the Provincial &amp; District Targets to total number of jobs to be created, early childhood development, Skills Development aligned to key economic sectors.</li> <li>- Build internal LED capacity &amp; take</li> </ul>	The issues raised have been addressed accordingly in the document.

	<p>advantage of SETA programmes; allocate budget for training and research.</p> <ul style="list-style-type: none"> <li>- Develop strategies to support local industries and businesses that are constrained &amp; declining in production.</li> <li>- Develop programmes seeking to transform local tourism players and table initiatives aimed at maximising the existing local heritage tourism to benefit local community.</li> <li>- Implement programmes &amp; projects targeting emerging farmers and smallholder producers and also grow agro-processing potential.</li> <li>- Prioritise vulnerable groups to benefiting from all programmes initiated, including SCM process.</li> <li>- Develop a plan to mobilise private sector funding &amp; also table a budget for Research &amp; Development for Local Economic Development.</li> </ul>	
Financial Viability & Management	<ul style="list-style-type: none"> <li>- The IDP did not have a schedule of projects identified for the priority year, no funding attached, source of funding, project name linked to grant/donor source.</li> <li>- Ito Social &amp; Economic Redress; the municipality did not attach an indigent policy, and the amount allocated from equitable share for indigent support could not be established.</li> <li>- There was no monitoring mechanism to</li> </ul>	A Chapter on Financial Viability & Management has been ensured that information on Financial Management, Assets & Infrastructure, Repairs & Maintenance, Financial Viability, and Loans & Borrowings are well documented. Financial plan is also included accordingly.

	<p>ensure that budget allocated to people living with disabilities was fully utilised.</p> <ul style="list-style-type: none"> <li>- Insufficient details to indicate how revenue-raising strategy was benefiting the municipality.</li> <li>- Ito Debt Management; the municipality did not indicate the 3 year outstanding debt per category, debtors' age analysis and policy decisions on dealing with debts.</li> <li>- The IDP lacked information on Financial Management, Assets &amp; Infrastructure, Repairs &amp; Maintenance, Financial Viability, and Loans &amp; Borrowings.</li> <li>- The municipality is encouraged to indicate on its Financial Plan, an overview of the 3-year municipal budget, as well as Analysis and Explanations.</li> </ul>	
Good Governance and Public Participation	<ul style="list-style-type: none"> <li>- Comprehensive list of by-laws should be indicated.</li> <li>- List &amp; Indicate a list of various bid committees, their functionality and membership.</li> <li>- Participation in the IGR structures and as a part of the District family of municipalities, implement the IGR ToRs.</li> </ul>	Issues raised have been address under Good Governance and Public Participation.

Cross Cutting Issues	<ul style="list-style-type: none"> <li>- Review SDF to be SPLUMA Compliant.</li> <li>- Poor articulation of Environmental Management issues in the IDP.</li> <li>- The municipality should develop Climate Change Response Plan and seriously consider Strategic Environmental Assessment (SEA)</li> <li>- Poor articulation of Disaster Management issues, and Disaster Management Plan not submitted.</li> </ul>	<p>The municipality is currently reviewing its SDF.</p> <p>It should be noted that Strategic Environmental Assessment (SEA) is a process not a plan; as such the opinion that the municipality should seriously consider developing SEA is misplaced. The municipality will instead focus on developing an Environmental Management Plan (EMP). The municipality will also liaise with the District in sourcing information from the District Climate Change Response Plan.</p>
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## 1.5. Strategic Approach to Development

Central in ensuring that Nongoma municipality delivers on its mandate is the alignment to the Provincial Growth & Development Strategy (PGDS) and the Zululand District Growth & Development Plan (DGDP). Alignment with these plans will further be enhanced in the Nongoma Spatial Development Framework (SDF) that is currently being reviewed.

Both the PGDS and Zululand DGDP have been translated into strategic Nongoma LM strategic objectives along the National Key Performance indicators; as indicated below:

PGDS Strategic Goals	DGDP Strategic Goals	IDP KPAs					
		Inst. Trans. and Dev.	Basic Service Delivery	LED	Financial Viability	Good Governance	Cross Cutting
1. Inclusive Economic Growth	1. Expanded District Economic output and increased quantity and quality of employment opportunities		To provide high quality infrastructure network to support improved quality of life and economic growth	To create an enabling environment for economic growth and job creation			
2. Human Resource Development	2. Enhanced quality of district human resources	To provide and promote institutional and organizational development and capacity building				To ensure Institutional accountability and transparency	
3. Human and Community Development	3. Improved quality of life and life expectancy			To improve the quality of lives for the people within Nongoma municipality			
4. Strategic Infrastructure	4. High quality infrastructure network to support improved quality of life and economic growth		Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	To provide high quality infrastructure network to support improved quality of life and economic growth			

5. Environmental Sustainability	5. District characterised by integrity and quality of its physical environment and underpinned by a coherent spatial development						Maintain and improve the environmental integrity of Nongoma municipal area of jurisdiction
6. Governance and Policy	6. Excellence in governance and leadership				To ensure sound financial viability and management	To integrate Risk Management, Compliance processes into performance management system of the organisation	
7. Spatial Equity	5. District characterized by integrity and quality of its physical environment and underpinned by a coherent spatial development						To promote a functionally structured urban and rural spatial development pattern guided by identified nodes and corridors through an effective land use management system

Furthermore the Strategic Agenda of the IDP is guided by the six KPAs which are:

- Municipal Transformation and Institutional Development
- Basic Service Delivery and Infrastructure development
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Cross Cutting Interventions

Other National government planning imperatives such as the National Development Plan (NDP) will be used in conjunction with the PGDS, the DGDGP and the IDP. This approach will ensure that the five year lifespan of the IDP is further supported by long-term planning approaches that would ensure sustainability of municipalities for a foreseeable future.

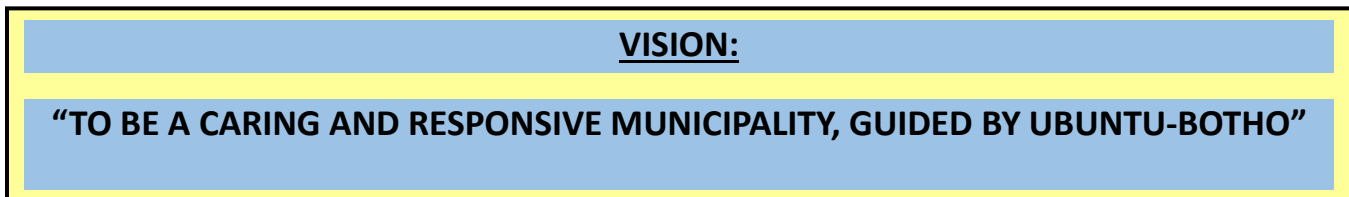
## 1.6. THE VISION

A strategic planning session was held on the 21<sup>st</sup> to 23<sup>rd</sup> of January 2019 at Natal Spa & Leisure Hotel in Paulpietersburg (Dumbe). The purpose of the strategic planning session was as follows:

4. To review service delivery mandate of Nongoma Local Municipality that will inform the Reviewed 2019/2020 IDP & Budget;
5. To review the Municipality's mission, vision, strategic objectives and organogram in line with reviewed government priorities as contained in the NDP, PGDP and DGDP; State of the Nation Address; State of the Province Address, and other various applicable policy directives;
6. To create a platform for the necessary culture of organizational Teamwork; Integration; and alignment across the Municipal machinery

The following information is a reflection on reviewed Vision, Mission, Values, Strategic Priorities and Strategic Objectives.

### 1.6.1. VISION FOR NONGOMA LOCAL MUNICIPALITY



Nongoma being the seat to the Zulu King shall have a noble living space depictive of the king's equal provision of royal treatment to all of his subjects. By 2030 Nongoma should have adequate, **environmentally sustainable** and top quality **basic infrastructure and services** equally distributed to all citizens. **Human development** opportunities will be easily accessible and there shall be **job opportunities** for the employable. The people shall be **healthy, safe** and **celebrating their arts, culture and heritage**.

### MISSION

**INSPIRED BY THE PHILOSOPHY OF UKUZAKHA NOKUZENZELA, WE WILL PROVIDE  
TIMEOUS AND SUSTAINABLE SERVICES**

### MUNICIPAL GOALS

- Improve institutional efficiency and effectiveness
- Improve financial viability and sustainability
- Responsive, transparent, participatory and accountable municipal governance
- Improved basic service delivery and infrastructure development
- Improved inclusive economic growth and community development
- Improved spatial equity and environmental sustainability

### **1.6.2. Key Outcomes for the Nongoma Local Municipality**

1. Eradication of poverty through food security and job creation
2. Unlock economic sectors within the municipality that have potential for growth and attraction of potential investors
3. Economic activeness of Small Medium and Micro Enterprises (SMMEs), Cooperatives and Emerging Contractors
4. Social development (youth, women, senior citizens, people living with disability) in sports, in the economy and skills development.
5. Embrace the principles of good corporate governance and accountable and disciplined administration;
6. Health and safety for all residents of Nongoma
7. Efficient and effective spatial planning and development, and disaster management
8. Efficient and effective safeguarding and proper management of municipal assets
9. Effective and efficient communication within the institution, and to all stakeholders including community in line with Batho Pele principles
10. Practice sound, fraud and corrupt-free financial management practices for long-term sustainability of the municipality.

### **1.6.3. Measuring Progress**

Nongoma municipality will use a Performance management System to measure progress made in the achievement of set objectives. A Municipality's Performance Management System (PMS) is the primary mechanism to monitor, review, and improve the implementation of its IDP and to gauge the progress made in achieving the objectives set out in the IDP. Furthermore, a municipality's PMS must also facilitate increased accountability, learning, improvement, provide early warning signals and facilitate decision-making.

The municipality has chosen the Key Performance model of the PMS. In the said model all indicators are grouped together under the national key performance areas as per the Systems Act and the local key performance areas as per the municipality's IDP. The said Model therefore enables the municipality to assess its performance based on the national and its own local key performance areas.

The following KPAs inform the OPMS of the Municipality:

1. Municipal Transformation and Institutional Development
2. Service Delivery and Infrastructure development
3. Local Economic Development
4. Municipal Financial Viability and Management
5. Good Governance and Public Participation
6. Cross Cutting Interventions

Service Delivery Priorities are as follows:

1. Poverty Alleviation
2. Food Security
3. Skills Development
4. Revenue enhancement
5. Spatial planning and development;
6. Good Governance and Clean Administration.

Further elaboration is made in the Strategic Agenda of this IDP document.

## **2. SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES**

### **2.1. Introduction**

The Integrated Development Planning (IDP) is a process by which Nongoma Local Municipality prepares its strategic development plan for the 2019/20 review. The Integrated Development Planning as an instrument lies at the centre of the new system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, and responsive and assumes a performance-driven character.

The IDP seeks to integrate and balance the economic, ecological and social pillars of sustainability within the Nongoma municipal area of jurisdiction without compromising the institutional capacity required to implement and co-ordinate the efforts needed across sectors and relevant spheres of government. The IDP is, therefore, the principal strategic planning instrument which guides and informs all planning, budgeting and all development in the Nongoma municipal area of jurisdiction.

Priorities and actions identified in this IDP will inform the structure of the Municipality, the service delivery standards, all financial planning and budgeting as well as performance reporting by the Municipality.

Reflected on this document is the development mandate that the Council intends implementing. The following issues have been considered during the preparation of the IDP document:

- Responding on the Outcome Delivery Agreement (Outcome: 12) and its seven (7) outputs, as signed by the Minister (COGTA); all nine (9) Provincial COGTA MECs and all Mayors on the 1st of October 2010;
- Responding to KZN priority issues;
- Addressing Local Government manifesto;
- Responding to the comments and issues raised by the MEC for COGTA (KZN) in the 2018/2019 IDP;
- Responding to issues identified as part of the Back-2-Basic support plan for the municipality;
- Strengthening focused community and stakeholder participation in the IDP processes; and
- Aligning Sector Departments' strategic plans to the municipal priorities and service delivery programmes.

This document has also been informed and is aligned to the following strategic documents and National and Provincial strategic objectives:

- Global goals for Sustainable Development;
- National Development Plan;
- National Infrastructure Plan;
- Back-to-Basics;
- Provincial Growth and Development Strategy;
- Operation Sukuma Sakhe
- District Growth and Development Plan; and
- National Delivery Outcome Agreements (especially outcome nine (9) in relation to Local government and municipalities).

## **2.2. Sustainable Development Goals (SDGs)**

The Sustainable Development Goals, otherwise known as the Global Goals, build on the Millennium Development Goals (MDGs), eight anti-poverty targets that the world committed to achieving by 2015. The MDGs, adopted in 2000, aimed at a range of issues that included decreasing poverty, hunger, disease, gender inequality, and access to water and sanitation. Enormous progress has been made on the MDGs, showing the value of a unifying agenda underpinned by goals and targets. Despite this success, the indignity of poverty has not been ended for all. The new SDGs, and the broader sustainability agenda, go much further than the MDGs, addressing the root causes of poverty and the universal need for development that works for all people.

At the United Nations Sustainable Development Summit on 25 September 2015, world leaders adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030. The following goals were adopted:

1. Zero Poverty
2. No Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Change
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the Goals

## 2.3. National Development Plan

Through a Diagnostic Report, the National Development Plan identified nine key challenges which are:

- Too few people work;
- The standard of education for most black learners is of poor quality;
- Infrastructure is poorly located, under-maintained and insufficient to foster growth;
- Spatial patterns exclude the poor from the fruits of development;
- The economy is overly and unsustainably resource intensive;
- A widespread disease burden is compounded by a failing public health system;
- Public services are uneven and of poor quality;
- Corruption is widespread; and
- South Africa remains a divided society

The Planning Commission then identifies two challenges that are interrelated those being, too few people work and the quality of education for the majority is poor. Basically the NDP contains proposals for tackling the problems of poverty, inequality and unemployment.

The key challenges identified in the National Development Plan are deeply rooted within the District and as such, the approach of the IDP will seek to develop strategies that will tackle these challenges.

## 2.4. STATE OF THE NATION'S ADDRESS (SONA)

The State Of The Nation Address marks the opening of parliament for the New Year. While the SONA allows the head of State to report back on his administration's progress over the past year, it also set out the administration's agenda and priorities for the next year. This in turn affects and informs the budget speech. During SONA 2019, President Ramaphosa listed five tasks he said would underpin Government's intervention:

- Accelerate inclusive economic growth and create jobs.
- Improve the education system and develop the skills that we need now and into the future.
- Improve the conditions of life for all South Africans, especially the poor.
- Step up the fight against corruption and state capture.
- Strengthen the capacity of the state to address the needs of the people.

The Nongoma municipality's Key Outcomes are aligned and linked to the above 5 points indicated by the President.

## **2.5. The Provincial Growth and Development Strategy (PGDS)**

The Provincial Growth & Development Strategy (PGDS) is based on the following goals:

- Inclusive Economic Growth (KPA 3: Local Economic Development & Social Development)
- Human Resource Development (KPA 1: Municipal Transformation & Institutional Development)
- Human and Community Development (KPA 1: Municipal Transformation & Institutional Development)
- Strategic Infrastructure (KPA 2: Basic Service Delivery & Infrastructure Development)
- Environmental Sustainability (KPA 6: Cross-Cutting Interventions/Issues)
- Governance and Policy (KPA 5: Good Governance & Public Participation)
- Spatial Equity (KPA 6: Cross-Cutting Interventions/Issues)

KPAs for the Municipality are linked to the PGDS as indicated in brackets.

## **2.6. Provincial Growth and Development Plan (PGDP)**

The PGDS identifies seven strategic goals and thirty strategic objectives that will drive the Province towards its 2035 vision. The cabinet has identified the needs to further prepare an implementation in the form of PGDP. The DGDP is aligned to the PGDP. The 7 PGDP strategic goals are linked and informed the key outcomes for Nongoma municipality as outlined below:

1. Eradication of poverty through food security and job creation
2. Unlock economic sectors within the municipality that have potential for growth and attraction of potential investors
3. Economic activeness of Small Medium and Micro Enterprises (SMMEs), Cooperatives and Emerging Contractors
4. Social development (youth, women, senior citizens, people living with disability) in sports, in the economy and skills development.
5. Embrace the principles of good corporate governance and accountable and disciplined administration;
6. Health and safety for all residents of Nongoma
7. Efficient and effective spatial planning and development, and disaster management
8. Efficient and effective safeguarding and proper management of municipal assets
9. Effective and efficient communication within the institution, and to all stakeholders including community in line with Batho Pele principles
10. Practice sound, fraud and corrupt-free financial management practices for long-term sustainability of the municipality.

## **2.7. District Growth and Development Plan**

The District Growth and Development Plan is meant to play a key role in the integration and alignment of the intentions of the NDP at national level and PGDP at provincial level on the one hand, with the activities of local government operating at the coalface of implementation and interaction with constituent communities on the other.

The aim of the DGDP is therefore to translate the Provincial Growth and Development Plan into a detailed implementation plan at a district level, inclusive of clearly defined targets and responsibilities thus enabling the province to measure its progress in achieving the accepted growth and development goals. In addition to the more detailed focus on the interventions identified by the PGDS-PGDP, the DGDP is expected to propose specific milestones that will have to be achieved per priority sectors. This will be refined in a collaborative approach with all the relevant stakeholders to ensure ownership of targets that will be set for specific time horizons.

The KwaZulu-Natal Provincial Planning Commission facilitates and supports the lead departments to develop detailed trajectories to ensure that the roadmap is clear on what is required to achieve the 2030 Vision for KwaZulu-Natal. The current DGDP is due for a review as it was developed in 2014.

## **2.8. The Back to Basics**

President of the Republic of South Africa jointly with Minister: COGTA held Local Government Summit on the 18<sup>th</sup> of September 2014 with all municipalities countrywide in Gauteng Province.

The Back to Basics Programme is all about fulfillment of municipalities on their constitutional mandate i.e. Putting people / Community first for their lives to change for the better. Five (5) key pillars of Back to Basics Programme identified as follows:

- Basic Services;
- Good Governance;
- Public Participation;
- Financial Management; and
- Institutional Capacity

Through its participation in the Back-2-Basic programme, the municipality has seen an immense improvement in terms of running its affairs, and has been identified as one of the functional municipalities within the Zululand District. Through the programme, its Performance Management System (PMS) has improved such that there were no material findings on the usefulness and reliability of the reported performance information. This despite the regression as a result of an adverse Audit Opinion for the financial year just reviewed.

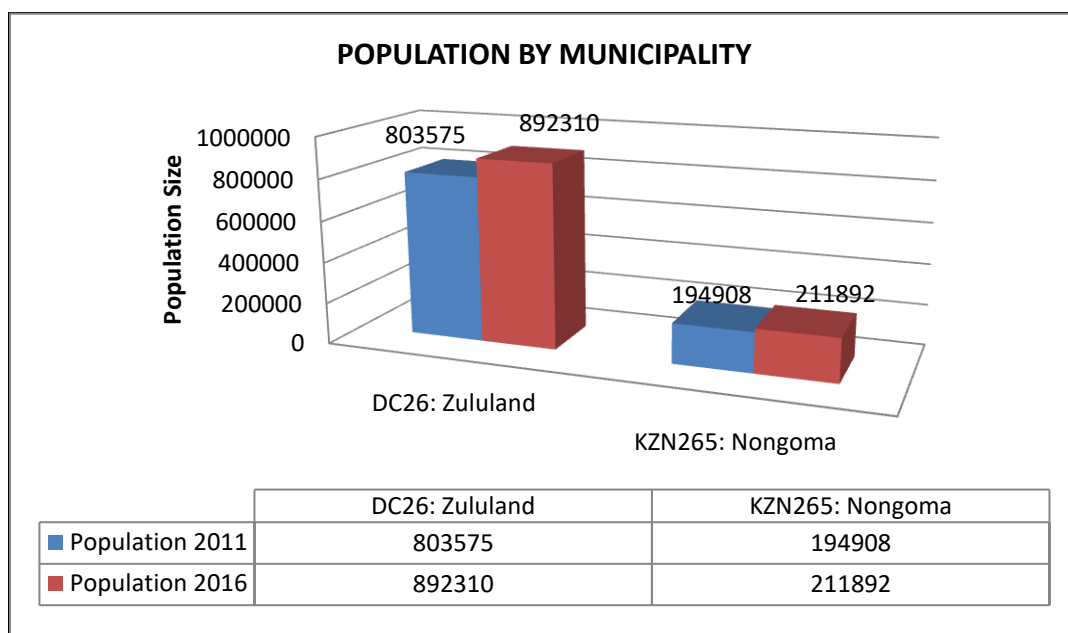
In ensuring that the municipality further improves; Back-2-Basics elements will be integrated into the departmental SDBIPs, thus ensuring proper planning and reporting.

### 3. SECTION C: SITUATION ANALYSIS

#### 3.1. DEMOGRAPHIC CHARACTERISTICS

According to 2011 Statistics, Nongoma has a total population of 194 908. If compared with the 2001 statistics (198,443), it translates into a growth rate of -0, 18%. If population growth rate would be same as in period 2001-2011 (-0.18%/year), Nongoma population in 2019 would be: 192 125\*. However in terms of 2016 Community survey, the population of Nongoma had surpassed that mark, to 211 893, a growth rate of 1.90% per year.

Figure 3: Population of Nongoma LM compared to the District between 2011 & 2016



##### 3.1.1. BROAD AGE CATEGORIES, AGE/SEX STRUCTURE AND DEPENDENCY RATIO

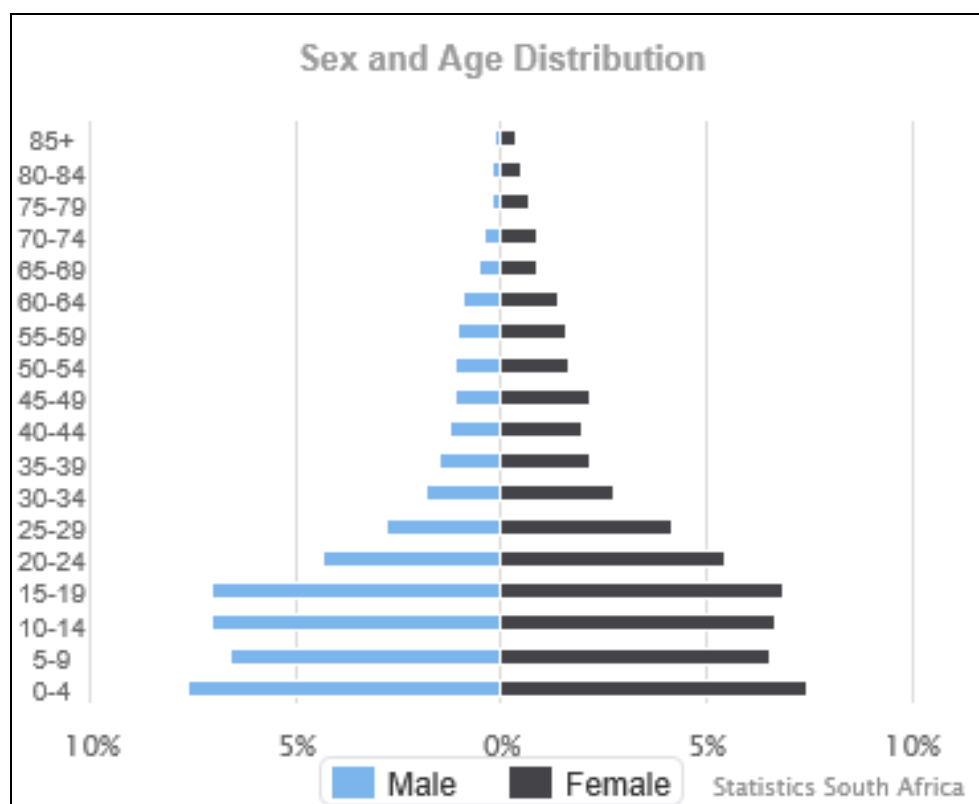
Broad Age categories refer to the total population who are children (0-14 years), youth (15-34 years), adults (35 – 64 years) and elderly (65+ years). Figure 2 below presents not just sex and age distribution in Nongoma municipality. It also presents a variety of elements that could be used to explain the current status quo in terms of population characteristics, dependency ratio, demographic dividend status of the municipality etc.

##### 1. AGE/SEX STRUCTURE

Figure 4 indicates that Nongoma has a bulk of children population, with 81861 children under the age of 15. The youth (15-34 years) comes in at 68646. Adults (35-64 years) and elderly (65+ years) are at 35027 and 9375 respectively (StatsSa, 2011).

A closer look at the age structure indicates an expansive pyramid which is wide at the base (i.e. lots of young children) implies that in Nongoma municipality there is high birth rate.

Figure 4: Sex & Age Distribution in Nongoma LM (StatsSa, 2011)



## 2. DEPENDENCY RATIO

Dependency ratio looks at the younger [population and the elderly in relation to the supposedly working age population. Low working age with high proportion of children and elderly indicate large dependency ratio. Figure 4 indicates that Nongoma municipality has a higher population of children, i.e 42.5% of the total population that is under 15 years of age (StatsSa, 2016). Even though the population age group of 60+ is not that high compared to the supposedly working population; the dependency ratio of Nongoma municipality is very high, as it sits at 87.8 in 2016 (it was 88.0 in 2011), StatsSa, 2016).

It should be noted that the unemployment rate in Nongoma municipality is at 49.3%, whereas the youth unemployment rate is at 59.9% (StatsSa, 2016). This then also affects and has a bearing on the dependency ratio.

## 3. DEMOGRAPHIC DIVIDEND ANALYSIS

Demographic dividend is a temporal opportunity for accelerated economic growth which comes from/benefits from a decline in fertility and mortality that result in a change in the age structure. The number one requirement for demographic dividend is a structure where there is more working population; and for it to happen there has to be a decline in fertility.

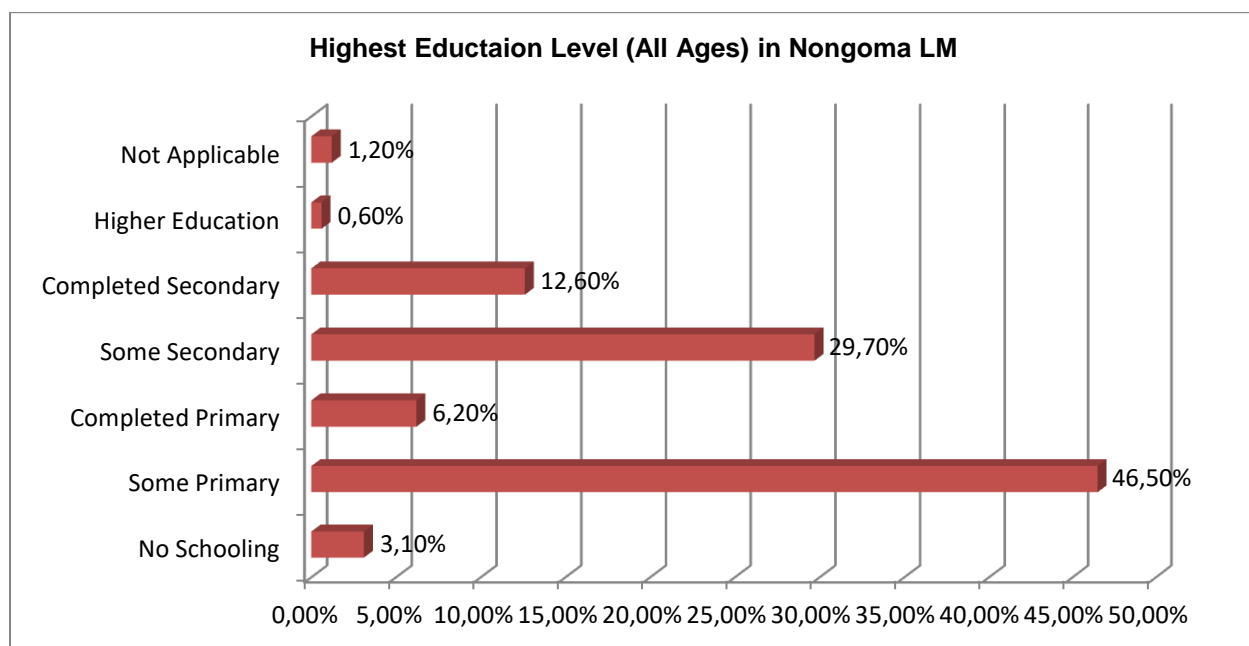
Based on the figure 4 indications are that the window for demographic dividend in Nongoma municipality is close, and the structure is not even marching towards the window. This is due to high fertility rate, the high number of children under the age of 15 years, the high rates of unemployment among the working group, and especially the high unemployment rate among youth.

Demographic dividend is neither automatic nor guaranteed. This then challenges the municipality to work with other sectors in implementing programmes that will not only accelerate rapid fertility decline in the municipality, but also ensure that there are programmes aimed at creating employment opportunities and that the supposedly working population is well educated, skilled, healthy and economically engaged.

#### 4. LEVELS OF EDUCATION

Statistics indicate that levels of education in Nongoma municipality are undesirably low. While about 3% of the total population has no schooling at all; only 12% have completed secondary education. This then has a bearing on the level of skills and the nature of employment opportunities the population would rely on. It also calls for the municipality and other government institutions to put more efforts in implementing EPWP programmes. Through such programmes communities would be afforded jobs opportunities and as part of EPWP programme, trainings (both credited and non-accredited).

Figure 5: Education Levels in Nongoma LM (StatsSa, 2011)



#### 5. HOUSEHOLDS CHARACTERISTICS

According to 2016 Community Survey, there are 36409 households in Nongoma municipality with the average size of 5,5 per household. This is about one-fifth of the figure in Zululand (178 516) and less than 10 percent of the figure in KwaZulu-Natal: 2 875 843. Of these households, 5,7% are informal dwellings; about 10 percent higher than the rate in Zululand (5.17%) and two-thirds of the rate in KwaZulu-Natal at 8.53%.

60,3% of the total households are classified as female-headed households. This is about 10 percent higher than the rate in Zululand (53.83%) and about 25 percent higher than the rate in KwaZulu-Natal: 47.44%. 396 households are headed by a person younger than 18 years of age, which is about one-fifth of the figure in Zululand at 2,034; and less than 10 percent of the figure in KwaZulu-Natal at 20,048.

The average annual household income is around R14600, which is about the same as the amount in Zululand (R14 600) and about half the amount in KwaZulu-Natal at R29 400. The average household income in Nongoma municipality is presented in the figure 6 below:

Figure 6: Average Household Income in Nongoma LM (StatsSa, 2011)

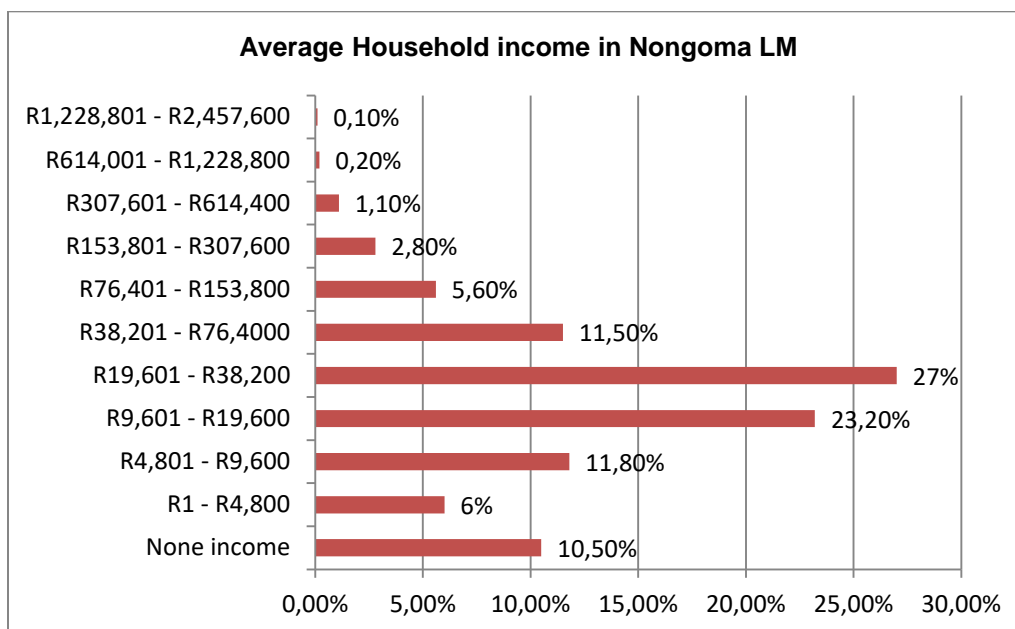
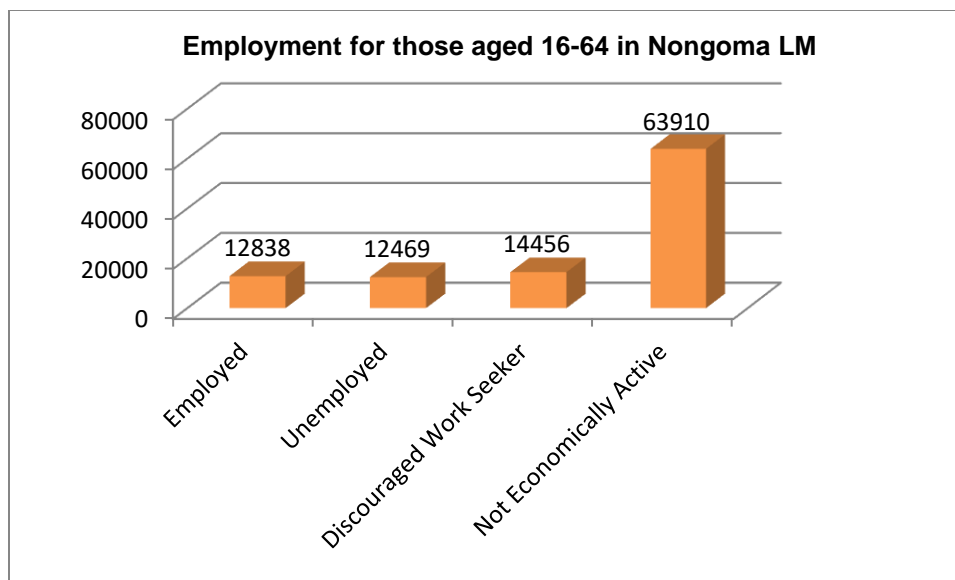


Figure 7: Employment for those between Ages 16 & 60 in Nongoma LM (StatsSa, 2011)



## 3.2. CROSS CUTTING ISSUE: SPATIAL, ENVIRONMENTAL & DISASTER MANAGEMENT ANALYSIS

### 3.2.1 SPATIAL ANALYSIS

Nongoma municipality's SDF is outdate and is not SPLUMA-compliant. As such the municipality is currently reviewing its SDF in line with SPLUMA. The SDF review process is at the status quo analysis phase. The status quo report is attached and appendix 2 of this document.

#### 3.2.1.1. Settlement Patterns

The Nongoma Municipality is mainly covered by settlements, but of a limited typology. There is a limited hierarchy of settlements, ranging from dispersed rural settlements, denser rural settlements to urban settlements. Nongoma town, other extra-municipal towns, and some nodal areas such as Nyokeni, Buxedene & Esiphambanweni support the functioning of the rural settlements.

##### I) Urban Settlement

Nongoma Town (incorporating White City) is the main urban area within the municipality, with a sphere of influence that expands to various intra-municipal rural settlements. The town has since become a somewhat dilapidated rural town with ailing infrastructure, poorly maintained roads, and a lack of aesthetic appeal – check development framework. The town also experiences a high level of congestion, in particular with regards to vehicular traffic and pedestrian movement.

This may be attributed to the fact that the town essentially has one main street, where most commercial activities are clustered. This street can be classified as an intensive activity corridor, flanked by intensive levels of economic activity and to a lesser extent social activities. The residential township component of the town which includes a township viz. White City has also been subjected to urban decay.

The township exhibits a more defined and formal geometrically designed and laid out settlement structure. However, there are also rural settlements within the Nongoma townlands which border the town centre. With the aim of addressing the abovementioned challenges, the Municipality adopted the Nongoma Urban Development Framework.

This is part of the Municipality's plan to extend the clustered Nongoma town by creating a new strategically located growth area and also to attract investment, with the ultimate aim being to improve the functionality of the Nongoma town as a whole

##### II) Traditional Council Areas

The Nongoma municipality includes vast tracts of land registered in the name of the Ingonyama Trust and falling under the jurisdiction of Traditional Councils (refer to map 5). In fact, 99% of the land is owned by ITB and 99% of the land is under Traditional Councils. The Traditional Councils located within Nongoma municipality include:

Table 1: Traditional Authorities within Nongoma LM

TRADITIONAL COUNCIL	GEOGRAPHIC EXTENT	% OF MUNICIPAL AREA
uSuthu Traditional Council	63238,29	28,98
Mandlakazi Traditional Council	130692,55	59,88
Matheni Traditional Council	23155,77	10,61

### III) Rural Settlement Areas

The municipality is essentially covered by rural settlements, which are situated within the 3 traditional councils that cover almost the entire geographic extent of the municipality. These settlements occur in pockets throughout the municipality and have clusters of rural homesteads unevenly dispersed across them. Similar to many other rural regions in the South African context, Nongoma Municipality is also characterised by a disjuncture between where people live and where economic opportunities are.

The rural settlements of Nongoma Municipality are populated by dwellings that have settled in an informal manner. These dwellings accordingly exhibit a rural settlement structure as they have grown organically and not benefited from any formal planning. The spatial morphology and settlement pattern of rural settlements in Nongoma Municipality reflects the impact of such unguided inhabiting of these areas. The manner in which they are scattered in space in follows different logic from the orthodox spatial planning paradigms. Their growth neither followed policy prescripts nor has land use pattern evolved in line with the dictates of systems and procedures such as Land Use Schemes.

Traditional land allocation practices, access routes, rugged terrain, steep topography, infrastructure are some of the main influences on settlement pattern. The following are some of the other key features of the settlement in study area:

- They occur in clusters/spatially defined izigodi and are unevenly dispersed across the municipality
- They have neither followed a predetermined spatial structure nor benefitted from formal settlement design systems and procedures.
- The location and allocation of people is not based on any verifiable standards.
- Land use management is based on collective memory where members of the community collectively agree that a piece of land is earmarked for a particular use or belongs to someone.
- The spatial structure or lack thereof causes inefficiency and accounts for relatively high service delivery costs. The movement system is also relatively inefficient.
- Their location in space is influenced by various livelihood strategies such as access to arable land, reliable sources of water and grazing land. Factors such as access to public facilities, public transport routes and bulk services are fast emerging as critical factors in the growth and expansion of these rural settlements. These factors thus also influence the size and density of these settlements.
- Land allocation is undertaken in terms of the traditional land allocation system, which is not based on any verifiable scientific standards.
- Some of the households and/or public facilities are located on land that is not suitable for settlement purposes. These include unfavourable geotechnical conditions, floodplains and wetlands. The key challenge is to direct the location of these settlements and manage their expansion.
- Rural settlements should thus be managed properly in order to direct future growth and expansion in close consultation with traditional councils. In addition, future allocation of land by traditional leaders should be based on informed decisions. This process can be assisted through proper distribution of spatial and technical information at hand and training of leaders on the use and interpretation of this information.

### IV) Settlement Density

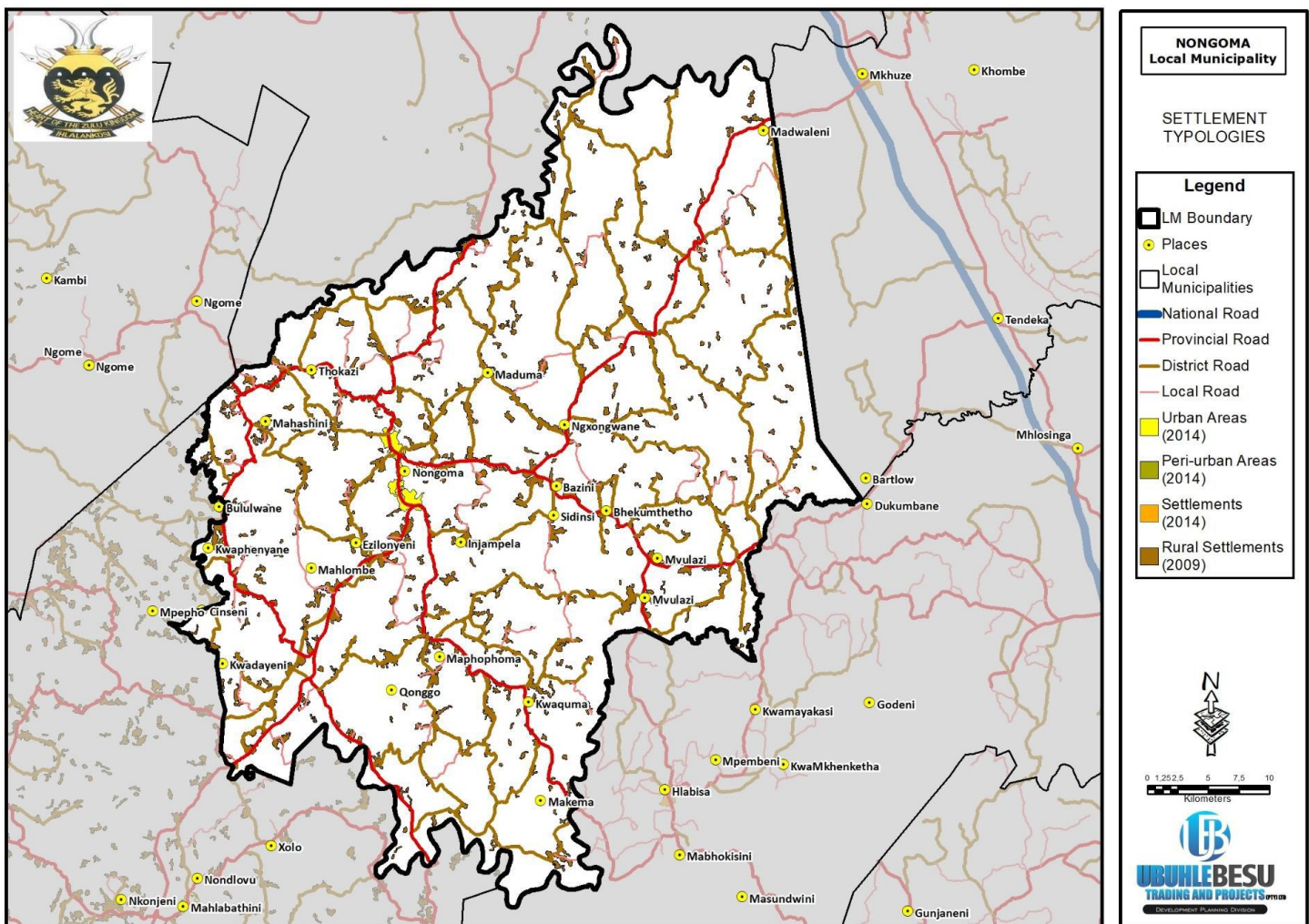
Settlement density is measured in terms of the number of dwellings per hectare. Planning rationale suggests that greater settlement densities contribute significantly to the creation of efficient, integrated and sustainable human settlements, thus they are encouraged. An analysis of the settlement densities within the Nongoma Municipality suggests that the densities are relatively low, which is typical of rural regions in KwaZulu-Natal. It appears that less 1% of the municipal area is covered by settlements with a density of 4 dwelling per hectare or more.

This translates to an average of 2 500m<sup>2</sup> sites. This clearly reflects that the densities within these rural settlements are generally low as the rural homesteads (imizi) generally have large yards and are dispersed haphazardly in space. This can be attributed to the lack of standardised land allocation standards catering for the allocation of land to rural homesteads. A general correlation exists between the density of settlements and their proximity to transportation networks and service centres. In essence, settlement densities tend to be higher in settlements located along main roads and close to service centres.

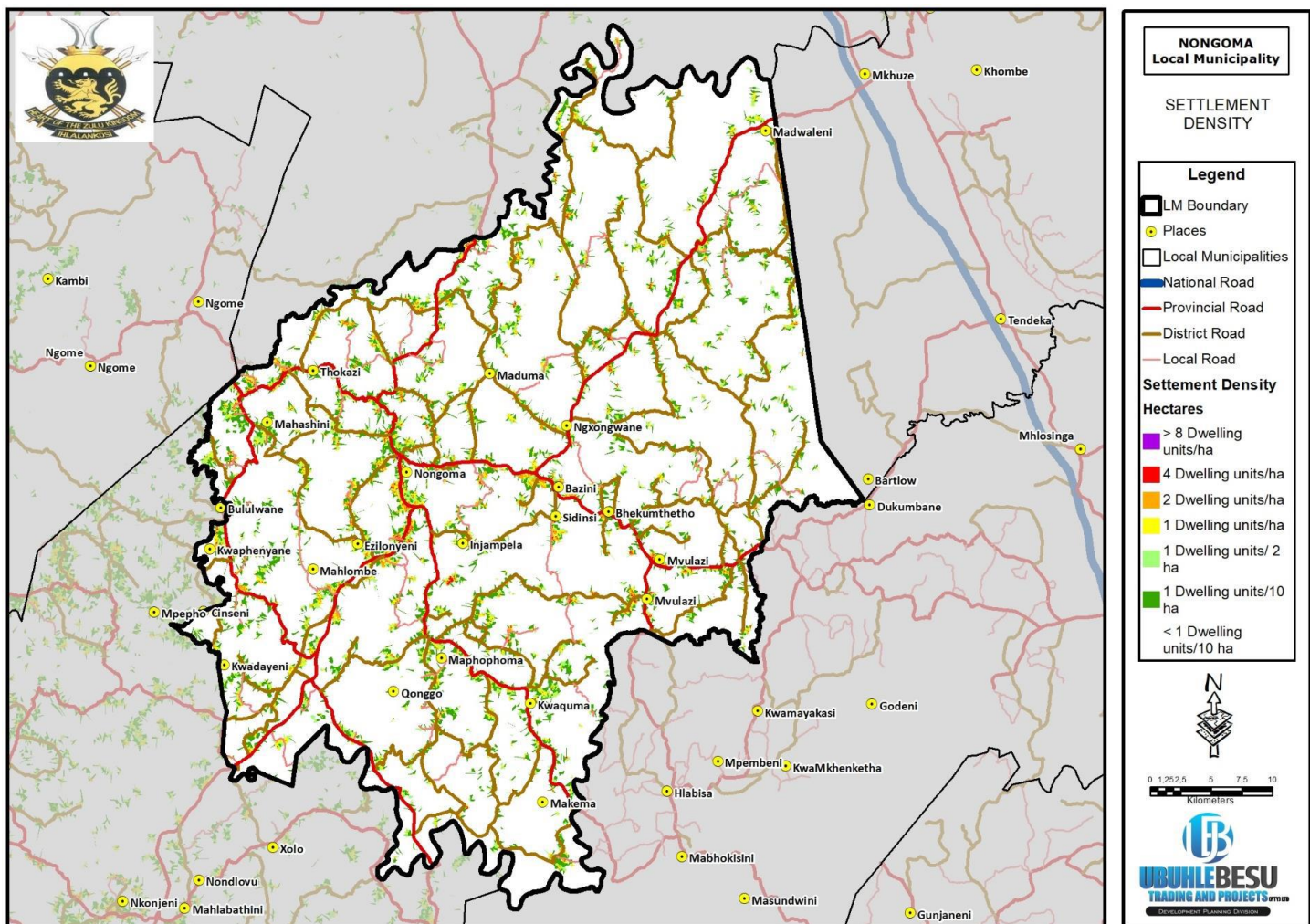
This is evident along routes such as the R66 which links Nongoma with Ulundi and R618 which traverses settlements such as Esiphambanweni and links with Hlabisa on the southern side and also links with Vryheid on the western side. These routes all link directly with the Municipality's urban centre viz. Nongoma town. In addition to the above, it is noted that the densities in the context of Nongoma Municipality are generally spread-out as follows:

- Densely populated rural settlements – settlements located in around the Nongoma town centre and those located on routes leading to the town centre.
- Low density rural settlements - the remainder of the municipal with the lowest densities being in the remote rural settlements

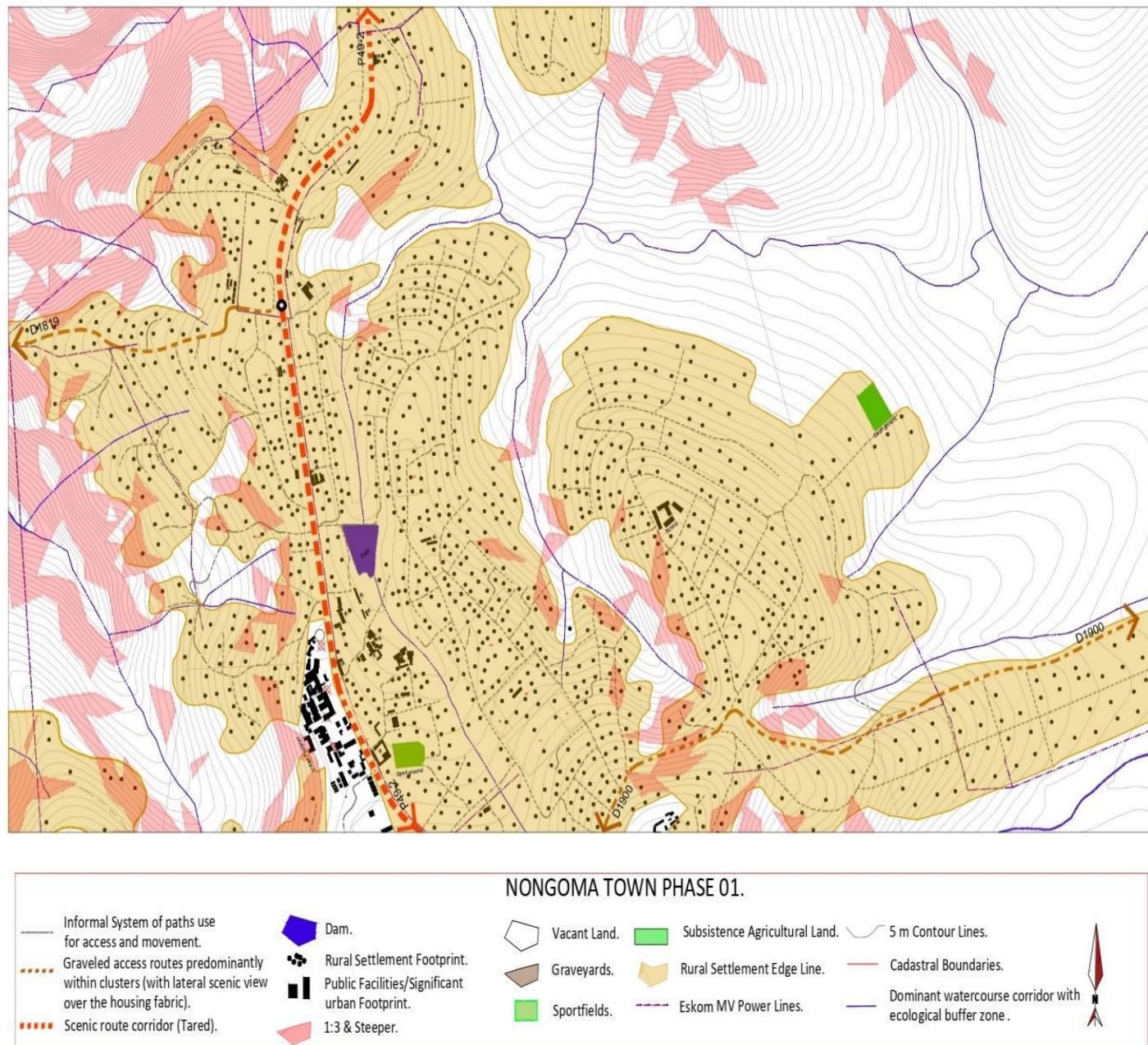
Map 3: Nongoma Settlement Typologies, Nongoma SDF: Status Quo Report, 2019



Map 4: Nongoma LM Density Map, Nongoma SDF: Status Quo report, 2019



Map 5: Nongoma Town Settlement Map, Nongoma SDF: Status Quo report, 2019



### 3.2.1.2. Broad Land Use Pattern

#### I) Settlements/Residential Uses

The residential use occurs mainly in the form of rural homesteads which are spread unevenly and unsystematically in space, and are concentrated mainly along main roads. These are mainly a culmination of the traditional land allocation system, which is implemented by traditional councils in the main. However, the area also includes formal residential areas such as White City Township. Settlement land use represents approximately 5.38% (117 42ha) of land uses in Nongoma.

## **II) Commercial Uses**

Commercial activities within the municipality are mainly found in Nongoma town, in various forms and intensities. They include shopping centres, anchor shops and small scale retail of nature. Commercial activities are also found to a lesser extent at mainly nodal areas / incipient nodes and road intersections in the rural areas. Commercial activities in these areas mainly take on the form of rural convenience shops, tuck shops & taverns / bottle stores. Commercial activities also exist in the form of Informal activities which are mostly found in Nongoma town largely due to the presence of other land uses which serve as population attractors. The few traders that exist occupy strategic locations such as taxi ranks and along the main road.

### **3.2.1.3. Land Legal**

#### **I) Beneficial Occupational Rights**

The Nongoma Local Municipality, being a rural municipality, predominantly falls under the ownership of the Ingonyama Trust Board (ITB), with the exception of Nongoma town where there is government and private ownerships alike. Members of communities that occupy ITB land enjoy beneficial occupation rights protected in terms of the Interim Protection of Informal Land Rights Act, (Act No. 31 of 1996). These include residential, grazing and agricultural practice amongst others.

From an indigenous tenure system point of view, there is no limitation of land rights that is experienced by tenants. It is only when this system is juxtaposed with common law systems of land tenure where the perceived limitation is identified. Traditionally, rights to land were never vested in an individual, but rather in a complex web of social groups, such as a family and the residents of an Izigodi, and clear rules existed to regulate the right of all members of a family, clan or tribe to the land occupied by the tribe. This is the context that Nongoma Municipality finds itself as far as the land question is concerned.

#### **II) PTOs, Leases and Servitudes**

As the majority land owner, the Traditional Councils are subject to the policies and legislation that governs all land administered by the Ingonyama Trust Board. The trust holds custodianship over the land on behalf of the members of communities that occupy and use the land. The powers and functions of the ITB are contained in section 2A (2) of the Ingonyama Trust Act, which provides as follows:

The Board shall administer the affairs of the Trust and the trust land and without detracting from the generality of the afore-going the Board may decide on and implement any encumbrance, pledge, lease, alienation or other disposal of any trust land, or of any interest or real right in such land.

Section 2(2) of the Act requires the trust to be administered for the 'benefit, material welfare and social well-being of the members of the tribes and communities' listed in the schedule to the Act – all the tribes and communities residing on Ingonyama Trust land. The trustees are bound to adhere to this provision.

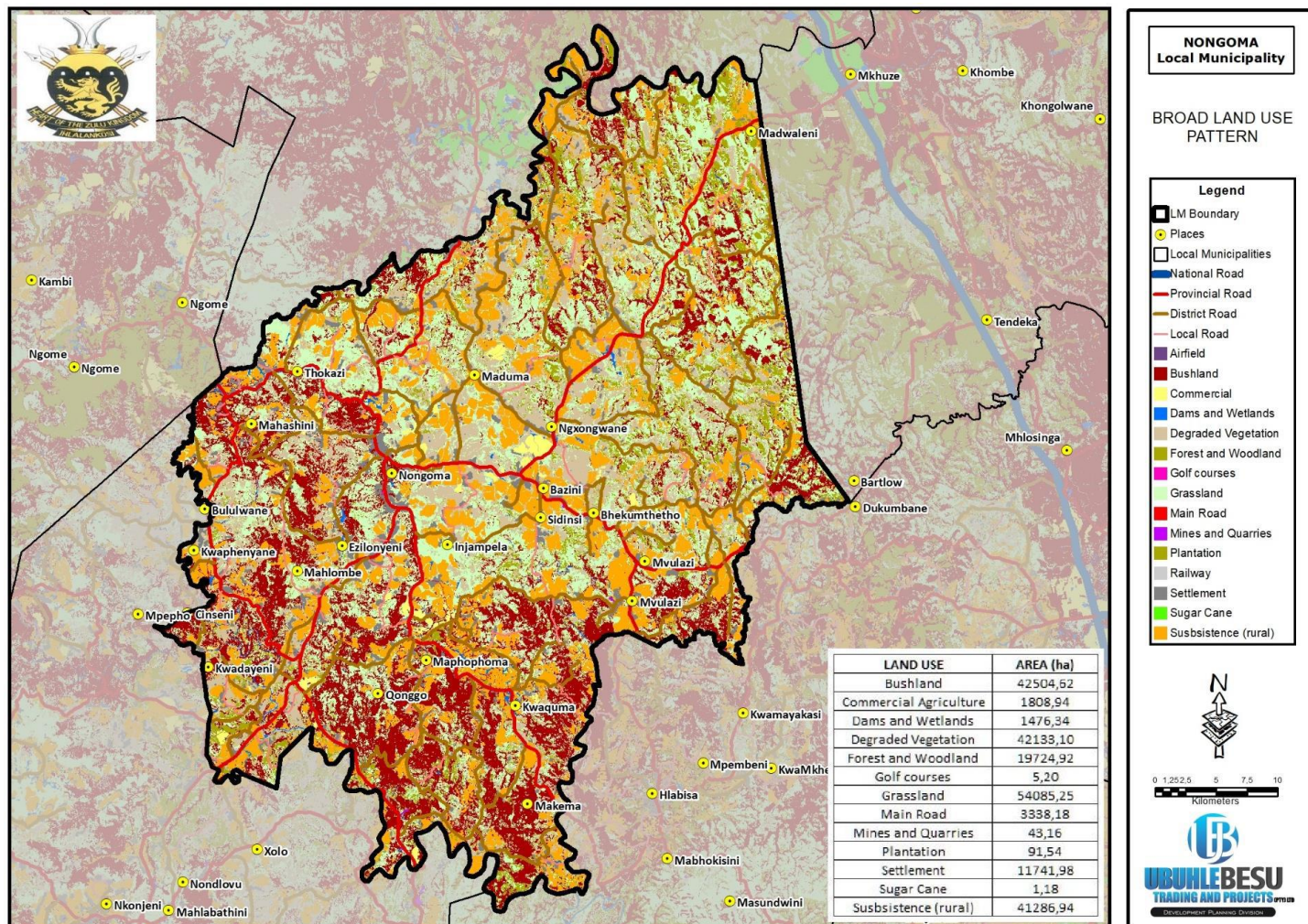
Section 2(5) provides that the trust may not 'encumber, pledge, lease, alienate or otherwise dispose of any of its land or any real right to such land, without the prior written consent of the traditional or community authority concerned. Thus, the traditional authority (elsewhere called tribal authority) is able to control the use to which their land is put. The effect of this is that, as custodian of the land, the Trust enters into land use agreements, e.g., leases and the like, but it cannot do so unless and until it has the written consent of the relevant traditional authority. In some cases, the Ingonyama Trust leases the land, or makes it available, under an appropriate agreement to a traditional authority, who, in turn, sub-leases it to a third party (ibid).

The same applies to Permission to Occupy (PTO's). The latter are not surveyed and thus cannot be depicted spatially. It is the intention of Ingonyama Trust to identify all commercial establishments and upgrade them into long term lease agreements. ITB also intends to survey all state uses and enter into lease agreements with the appropriate government institutions. It is understood that the Ingonyama Trust Board will not sell land outright, unless there are overwhelming and compelling reasons to do so. As a rule, it will either authorize the Minister of Land Affairs, or the KwaZulu-Natal Department of Traditional and Local Government Affairs under delegated authority to issue Permissions to Occupy under the KwaZulu Land Affairs Act 11 of 1992, or grant a lease for

an initial period of 35 years, renewable for a further period of 35 years. Obviously, in special circumstances, the arrangements can be modified. The Trust can also grant servitudes.

State owned land can be found mainly around the formalised town of Nongoma where the Nongoma Town Planning Scheme is active and there is a need to subdivide land in order to optimally make use of it and to attain bulk services. Other state-owned land is found in areas where various state departments are providing some form of infrastructure and/or social facilities to the communities such as power stations, substations, schools and clinics. However, some of these services remain in traditional owned land. The same is seen with privately owned land which is situated in the formalised townships and within the formalised.

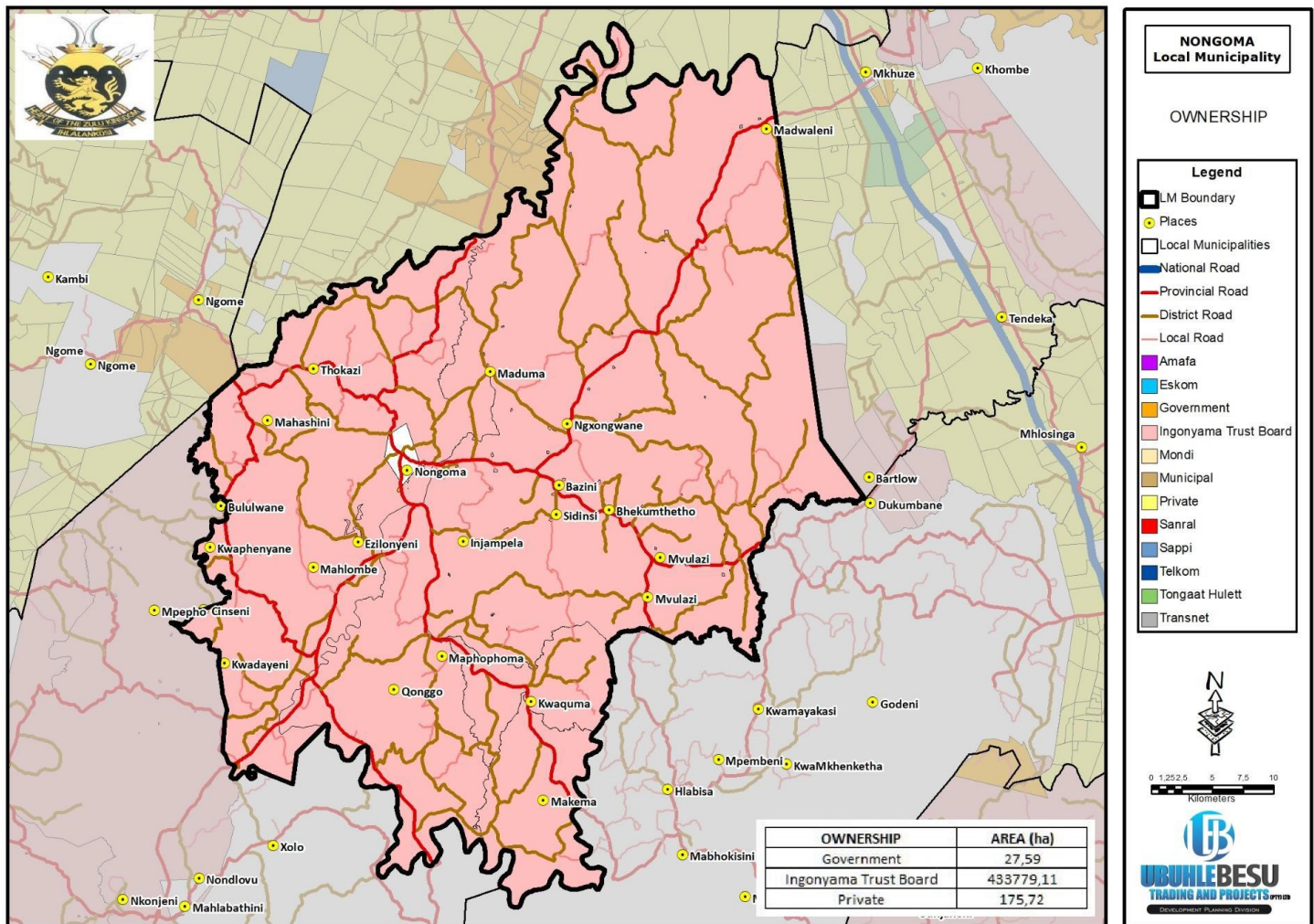
Map 6: Broad Landuse patterns in Nongoma LM, Nongoma SDF: Status Quo report, 2019



### III) Land ownership

The Nongoma Local Municipality is a rural municipality and therefore it is evident as far as land ownership is concerned that most of the land falls under the administration of the Inganyama Trust Board. The land ownership distribution within the municipality is as follows (also see Map: Ownership below):

Map 7: Ownership map for Nongoma municipality, Nongoma SDF: Status Quo report, 2019



**Table 2: Land ownership and Land Use within Nongoma LM**

<b>LAND OWNERSHIP</b>	<b>PREDOMINANT LAND USE</b>	<b>AREA (HA)</b>	<b>% of LAND R</b>
Ingonyama Trust Land	Communal land for settlements and supporting uses i.e. schools, clinics, local shops. Largely vacant unproductive land, less of agriculture and protected areas.		
State owned	Social facilities i.e. schools, municipal land & offices, clinics and hospitals, protected areas.		
Privately owned	Residential and business uses.		
<b>Total</b>		<b>218 242</b>	<b>100</b>

The distribution above has a significant impact on the nature of development that takes place within the municipality. It is an undeniable factor that land ownership is one of the key considerations for any investor especially in the context of South Africa where the land issue is a sensitive one. The rural setting offers challenges of lack in bulk infrastructural development i.e. roads, electricity, water and sanitation. However it also provides various agricultural opportunities. Development and investments that requires infrastructure and tenure security can be founded in the formal Nongoma town.

It is recommended for the municipality to undertake a land audit which will assist to ascertain any long-term lease agreements in traditional council land and identify social facilities that have been transferred to the relevant state departments. This will also include, inter alia, undertaking a comprehensive analysis of each property, verifying the ownership and land use of each property and the occupants / users of the property and the rights they have to the land, particularly in Nongoma town.

### **3.2.1.4. Land Use Management**

#### **I) Nongoma Land Use Scheme**

Nongoma Municipality adopted a land use scheme, in line with the PDA & SPLUMA. The scheme area includes and applies mainly to the Nongoma town area and some of the rural settlements which form the immediate surroundings of Nongoma Town. These include settlements in located Ward 4, 9, 16, 19, and 20.

The Nongoma Land Use Scheme identifies suitable zones for the management of land use within the Nongoma town and surroundings. It seeks to put forward a land use management system that can be applied in the area it covers. The Land Use Scheme was developed, taking into consideration the nature of Nongoma town, the rural character of the surroundings as well as the traditional land use management practices.

#### **II) Land Use Management in Rural Areas**

The municipality does not have a Land Use Scheme covering the rural parts of the municipality. This means the majority of the municipality does not have any existing and applicable zonings and scheme controls imposed on it. It should be noted that this situation will change as soon as Nongoma Municipality introduces a single Land Use Scheme as per the Spatial Planning and Land Use Management Act's requirements.

Noteworthy, the municipality has already initiated a process of preparing a Land Use Scheme covering the entire municipality, meaning the study area will be under the control of a Scheme in the near future.

Land use in the rural settlements is however being regulated, mainly through the Indigenous land use management practices, where land use management occurs in terms of the traditional and customary land allocation and management system. Traditional councils undertake land use management, with the Ingonyama Trust Board playing a supportive which involves registration of lease agreements where applicable.

Land use is also managed through the Spatial Planning and Land Use Management, which provides for the regulation of development occurring outside the area of a Land Use Scheme. Other land use management instruments include:

- National Environmental Management Act, Act No. 107 of 1998 (NEMA), which specifies a number of land uses / development proposals that require environmental authorisation / exemption prior to them taking place.
- National Forestry Act, Act. 84 of 1998. This regulates the use of forests by, inter alia, suggesting activities and land uses which may be licenced or permitted in state forests.
- KZN Provincial Roads Act No. of 2001, which regulates land use by, inter alia, stipulating the building lines that should be observed from provincial roads and requiring that development proposals within a certain distance from a provincial road be approved by the Department of Transport.

### **III) Land Use Management issues**

Due to the absence of a clear and enforceable land use management system in traditional council areas, a number of general land use management problems usually emerge. These include:

- There is no functional / effective land use management system to ensure the reservation of land for particular facilities.
- Well located land that is suitable to be used for non-residential uses such as agriculture and public facilities ends up being taken / allocated to homesteads for settlement purposes.
- There has been a conflict in terms land allocations as there is no clear guide for land allocation.
- Grazing land is not clearly demarcated and fenced, thus the movement of livestock is not controlled. The resultant effect is that the livestock ends up feeding on crop plantations. This discourages the community from farming; land ends up lying fallow and the subsequent effects are felt on food security
- Taverns and other places of public amusement are located in inappropriate locations, hence they cause land use inharmoniousness and spark conflicts among community members. They also exacerbate crime.
- People settle on land that is considered inappropriate due to topographical and environmental factors.
- Some community members exploit traditional herbs in an uncontrolled manner and have commercialised the herbs, which are usually used for traditional healing purposes. This is unsustainable and can potentially lead to the extinction of some plant species

#### **3.2.1.5. Spatial Trends and Patterns**

##### **I) Rural Settlement Dynamics**

Rural settlements are not all the same and these settlements are dynamic complex spatial systems. As such, the understanding of the factors that shape these settlements is critical in an SDF and the implications for spatial planning must be clearly understood. The Nongoma SDF thus needs to respond to the rural dynamics of the area, in order to make the SDF a functional and useful spatial planning tool.

Rural settlements have to respond to a range of factors including topographical features, access to natural resources, livelihood strategies, access to basic services and road infrastructure. With the current national government emphasis on rural development and the mandatory introduction of land use schemes in rural areas, it has become imperative to base spatial planning in these areas on informed understanding of spatial dynamics, trends and patterns. Also critical is the relationship between these settlements and other key structuring elements. The rural settlements in Nongoma neither followed legal prescripts nor has land use

pattern evolved in line with the dictates of systems and procedures such as Land Use Schemes. Instead, they have emerged in the context of land need, forced removals and livelihood strategies. Today, their growth and spatial development is highly influenced by access to basic services and public facilities.

## **II) Settlement Growth**

The receipt of requests for land by Traditional Councils has implications for spatial planning and management of rural settlements. Proper management of the growth of these settlements becomes important and settlement plans and containing their outward growth becomes important issues to address.

## **III) Settlement Sprawl**

Settlements have been grotesquely distorted by the impact of the country's political past, which dictated settlement form. This left us with a legacy of highly fragmented, sprawling and inefficient settlements. This settlement pattern generates enormous movement across vast areas, which is both time consuming and costly thereby entrenching a system of unequal access to economic and social resources.

A review of the structure and form of the municipal area reveals a low-density settlement sprawl that takes on the form of traditional settlements, most of which are located under traditional councils, on Ingonyama Trust land. These extensive areas of settlement have evolved in response to different government policies, local cultural practices and land allocation systems. These spatial footprints present the municipality with a serious challenge to transform areas from being rural settlements into a functional, integrated and generative spatial system.

## **IV) Impact of Traditional Land Allocation System**

A large portion of the population in Nongoma resides in areas where there is strong influence of traditional leadership and the associated traditional land allocation practices. These systems have been passed on from generation to generation and adapted in response to social changes. They have given rise to settlements that are neither integrated nor sustainable. Homesteads are unsystematically spread in space, which renders infrastructure development inefficient from a cost perspective. Some households have located in areas that are poorly accessible, environmentally sensitive and generally not suitable for settlement purposes. It is expected that the implementation of a land use scheme in these areas will introduce controls, norms and standards, and facilitate the transformation of rural settlements into sustainable human settlements.

### **3.2.1.6. Nodes and Corridors**

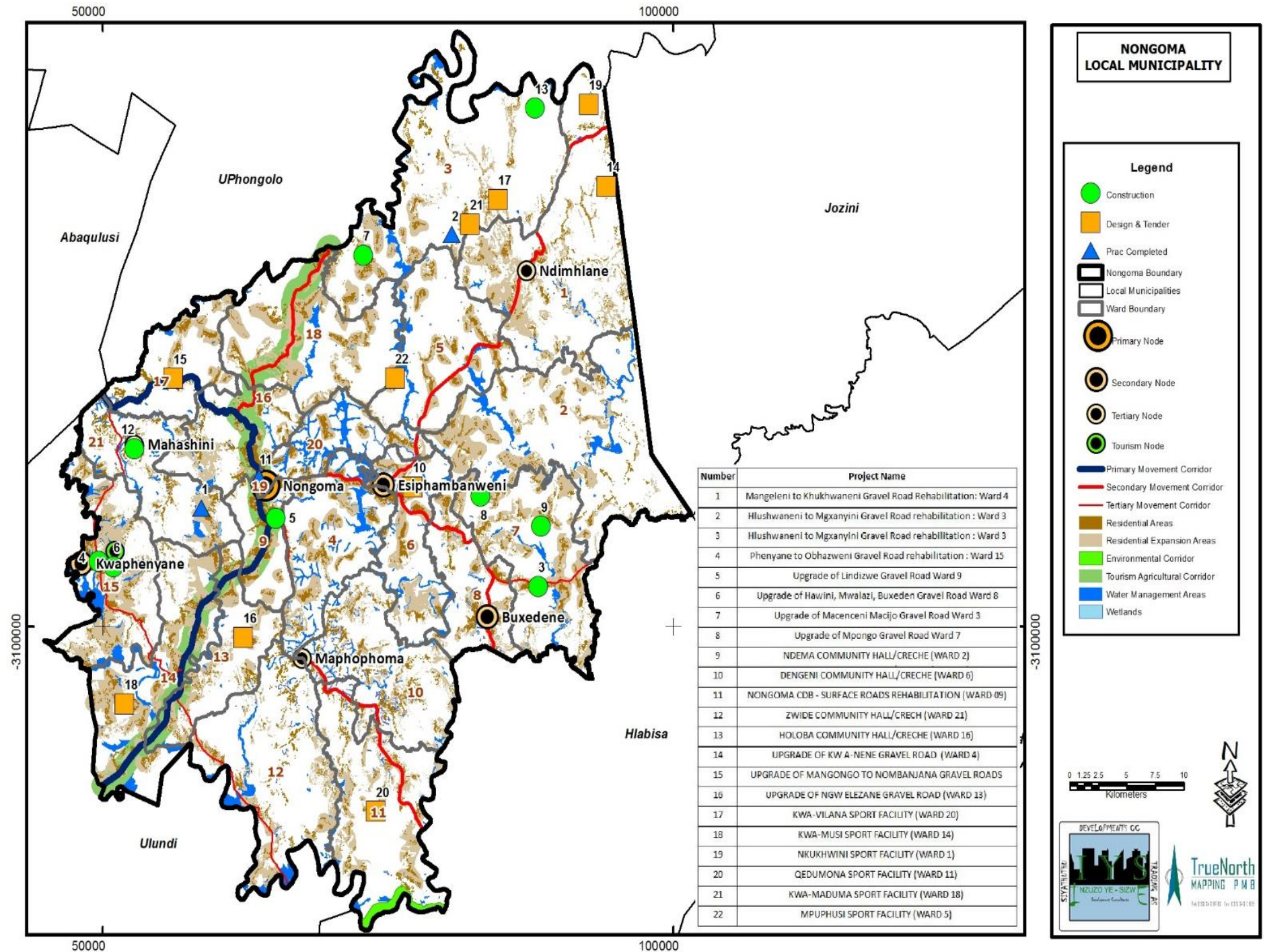
The relative importance of development nodes is a reflection of an area's of economic development potential and the range of service that should be provided. At the local SDF level, the identification and classification of nodes should follow a similar methodology as that of the district but it must be influenced by the various centres in the local economy.

The major structuring element for determining the existing and future concentration of development, activity and investment in the Nongoma Municipality consists of an access and movement hierarchy that has been established through the major internal and external national and provincial linkages.

The identification of development nodes is of most importance as they: -

- Optimise the use of existing bulk infrastructure and social facilities
- Discourage urban sprawl
- Ensure compact and efficient urban areas
- Protect agricultural land with high production potential
- Provide guidance to both public and private sectors investors
- Promote economic, social and environmental sustainability
- Accommodate reasonable future demand for development

Map 8: Nodes & Corridors for Nongoma LM.



## NODES WITHIN NONGOMA LM

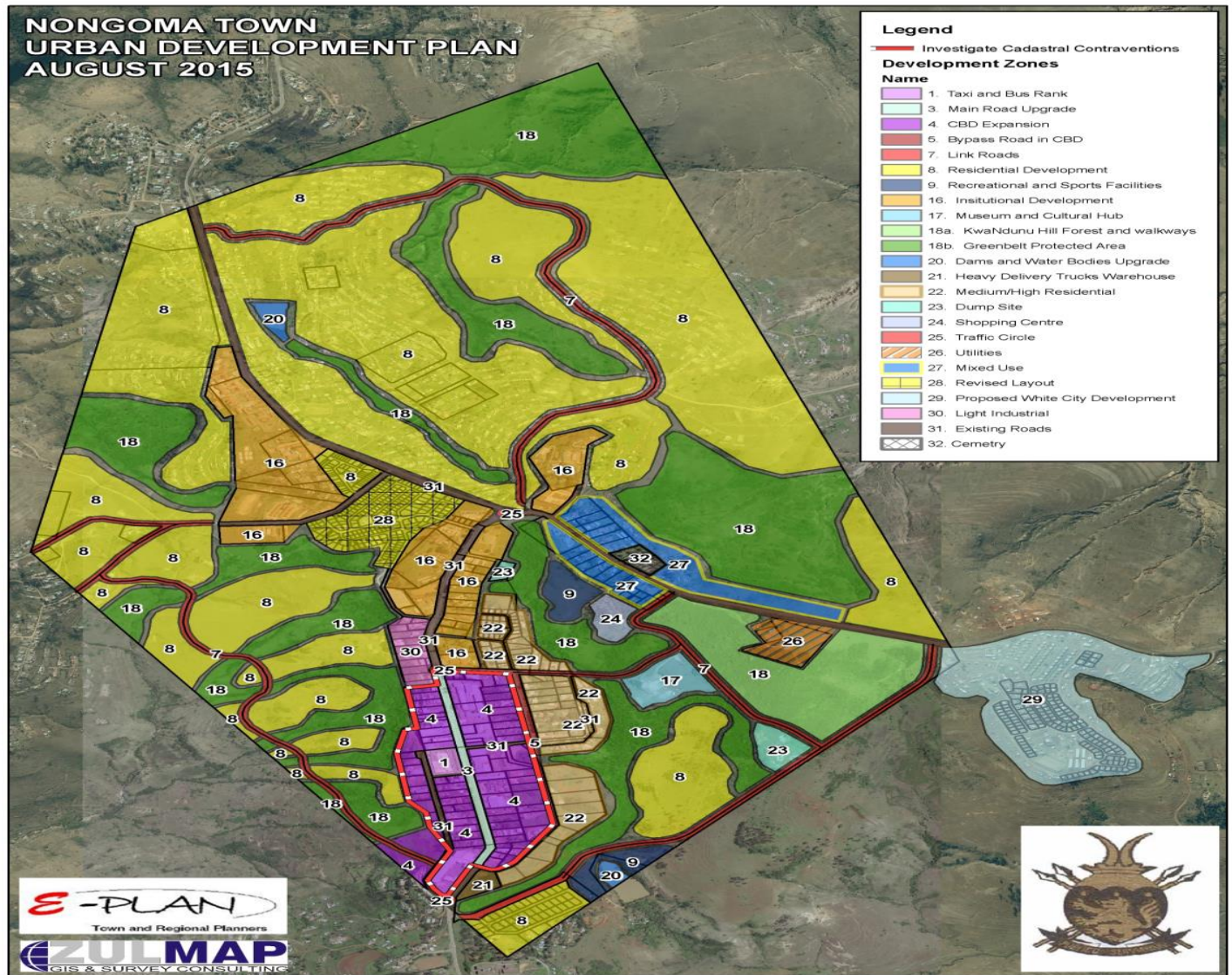
TERMINOLOGY	DESCRIPTION	Nodes
<b>Primary Node (PN)</b>	An urban center with very High existing economic growth and the potential for expansion thereof. Provides service to the national and provincial economy.	Nongoma
<b>Secondary Node (SN)</b>	An urban center with good Existing economic development and the potential for growth. Services the regional economy  There is a formal scheme at Buxdene as part of SPLUMA compliance to wall to wall scheme, there is budget for other wards in the next financial year.	Kwaphenyane Buxedene Esiphambanweni Mahhashini
<b>Tertiary Node (TN)</b>	A centre which should provide service to the sub-regional economy	Maphophoma Ndimhlane

### A. Primary Nodes

The Nongoma Business District has been identified as the primary service centre within previous IDPs of the municipality as well as the Zululand Spatial Development Framework. Due to the fact that Nongoma Municipality does not have a clear distinction between a Primary Node and its Rural Service centres Nongoma Town is seen to function as both.

The images below are extracted from the Nongoma Urban Nodal Regeneration project which depicts the development intent for Nongoma.

Map 9: Nongoma Urban Nodal Regeneration



## B. Secondary Nodes

These rural service centres (Secondary Nodes) are identified by the existing and (potential future) clustering of primary services and often at key intersections of access routes in especially the Traditional Authority Areas. These points serve as the first entry point to service delivery in the rural areas and provide a plausible threshold for the clustering of groups of small, localised businesses, thus providing the starting points for the emergence of mixed use activity nodes. With very limited services, and limited information available the presence of a Clinic were utilised as the main criteria to identify Activity Points/Centres.

High Schools and primary schools are distributed quite evenly, and do not give an indication of activity areas. Social facilities (such as clinics) usually have a presence of some limited economic activities as well.

Secondary Nodes identified within Nongoma Includes the following settlement areas:

- Enyokeni
- Buxedene
- Esiphambanweni
- Mahhashini

## C. Tertiary Nodes

In terms of the Detailed Settlement Definitions (contained within the DSM Manual of the Department of Water Affairs and Forestry) a non-formalised settlement with between 500 to 5000 persons residing in it is classified as a village. Although the same definition parameters are used, this SDF refers to these areas as Rural Settlement Clusters as the distinction between one village to the next is not always as definable. Three (3) rural settlement clusters have been identified within the municipality by using population density data. These include (amongst others) the villages of, **Maphophoma, Ndimhlane**, The three Rural Activity Points are centrally located within these clusters, and serves as the service points to these settlement clusters. Public interventions envisaged in these areas relate to:

- Focussing priority rural water and sanitation projects to these areas centred on servicing these communities.
- Maintaining access roads to these areas to at least the current standard (mainly gravel road surfaces).

### 3.2.1.6. Development Corridors

Nongoma Development Corridors The major structuring element for determining the existing and future concentration of development, activity and investment in the Nongoma Municipality consists of an access and movement hierarchy that has been established through the major internal and external national and provincial linkages.

In harnessing economic development corridors; the following need to be prioritized:

- Development of economic activities along eDumbe-Vryheid-uLundi-Nongoma-uPhongola PSED corridor;
- The development of uQweqwe area to provide basic facilities to tourists;
- Capitalising of the Zulu Reed Dance celebrated annually at Nsibaya/Enyokeni as there exist a number of tourism development options that could be pursued with the annual celebration;
- Provision of integrated and reliable transportation and connectivity infrastructure in the district allowing for increased mobility (of goods, capital, services and people) between all key economic nodes
- Provision and/or enhancing of Information Communication Technologies (ICT) (e.g. internet connectivity) for optimal communication, knowledge-sharing; and
- Access to markets across, especially in the PSED nodes; Encouraging intra and inter-regional collaborative ventures between commercial and small-scale farmers; Development of Agri-tourism sites and products linked to the Agri-Park.

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- Access to markets across, especially in the PSED nodes; Encouraging intra and inter-regional collaborative ventures between commercial and small-scale farmers; Development of Agri-tourism sites and products linked to the Agri-Park.

In harnessing the cultural heritage development corridors; the following need to be prioritized:

- Promotion of the Cultural Heritage corridor, as a means of growing the cultural tourism sector in and across the district.
- Focus must be given to uLundi and Nongoma and their strategic positioning within the cultural tourism corridor that stretched to Zululand;

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- Focus must be given to uLundi and Nongoma and their strategic positioning within the cultural tourism corridor that stretched to Zululand;

- Improvement of the linkage between Nongoma and Ulundi via the R66 Tangami Spa, Swart Umfolozi and Vryheid;
- Improving access road to Ithala Game Reserve, via the Klipwal Mine. The Klipwal Mine (the only Gold Mine in KZN) is only about 3 km from the northern boundary of the Ithala Reserve; The R69 (Rooirante Road) between Magudu and the Pongolapoort dam is another very important link road;
- Initiating full-scale urban renewal projects that link all cultural heritage sites in Zululand and other northern districts;
- Development of tourism-related activities in townships and villages to allow for broad-based participation in this sector, with a specific focus of women and youth participation.

#### C. Investing In Rural Industrialisation

Rural industrialisation is critical for the provision of physical and social infrastructure that can allow for the creation of socio-spatial and economic linkages between urban nodes and the rural hinterlands. Integrated rural development is dependent on the strength of economic, social and technological relations between economic nodes such as Abaqulusi, uLundi, Nongoma, uPhongola and eDumbe as well as the townships and villages surrounding them. To this end, the economic functionality of the Zululand district must take into account the flow of goods and capital as well as the movement of people within and between urban and rural spaces.

##### 3.2.1.7. Regional Development Corridors

The primary transport corridor for Nongoma Municipality, as Identified by the Zululand District Municipality, is the R66 which stretches through Nongoma and links Ulundi to Pongola. This primary corridor has a very high economic growth potential within all three sectors, and serves areas of high poverty. This road is only partly surfaced, which has to effect that most travellers choose not to use this route.

Public interventions envisaged in this area relate to:

- i) Constant Inter Governmental communication and co-ordination relating to the development of the district primary corridor and its impacts on the Nongoma Area.
- ii) Developing a localised Corridor Development Strategy which will focus on spatial structure, infrastructure provision and attracting both public and private sector investment.
- iii) Tarring of the road between Nongoma and Pongola (R66). According to Zululand District IDP this will open up the district to tourism sector. Tour buses enter the district at Golela on a daily basis but do not spend time and money in the district. The tarring of this road will strengthen the status of Ulundi and Nongoma as the main service centres in the Southern part of the Zululand District Municipality.

#### A. Secondary Corridors

The secondary Corridors identified serves areas of high poverty levels with good economic development potential within one or two sectors. The following Secondary Transport corridors in the area are:

- R618 linking Nongoma to Vryheid (West)
- R618 linking Nongoma to Hlabisa and the N2 (South East)
- R66 linking Nongoma to uPhongolo LM in the North
- P234 linking Mona Market to Mkuse (North)
- P735 linking Nongoma to the southern parts of Hlabisa near the Hluhluwe Imfolozi Park.
- Nongoma - Mkhuze and N2 (North East)

Public interventions envisaged in this area relate to:

- Completion of tarring of the road between Nongoma and Pongola (R66).
- Tarring of road connecting Nongoma and Mkhuzi town of uMkhanyakude. The tarring of these roads will strengthen the status of Ulundi and Nongoma as the main service centres in the Southern part of the Zululand District Municipality.

#### B. Tertiary Roads Movements

The following routes have been identified as important link roads to ensure secondary access to the Regional Development Corridor:

- P736 and P703 which provides additional accessibility from the R66 to the settlement clusters in the Southern parts of the Municipality.
- P450 which provides accessibility from Buxeden in an eastern direction.
- Public interventions envisaged in this area relate to the upgrading to black top surfaces of roads to perform the distribution function intended. As these roads are provincial roads, this will imply that the municipality engages with the Department of Transport in order to co-ordinate the upgrading of these routes. The following roads have been identified for upgrading:
- Nongoma - uPhongolo link road: A section of this road between Nongoma and uPhongolo (about 35km) need to be upgraded to blacktop.
- Nongoma Vryheid link road: There is a portion of road between Nongoma and Vryheid, from Nongoma to Vryheid that need to be upgraded to blacktop standard.
- Ceza R66 road: A section of the road needs to be upgraded to blacktop.
- Nongoma/Mkuze road: A section of the road needs to be upgraded to blacktop standard.
- Nongoma Ulundi Road: The portion of road between the two towns is tarred, but certain sections of the road need to be upgraded and refurbished

#### C. Agricultural Corridors

The PSEDS identifies the R66 between Nongoma and Pongola Town as an agricultural Corridor. This route is identified by the PSEDS as a secondary Provincial Corridor. The agricultural production areas are situated partly on the boundary between Nongoma LM and uPhongolo, but the main arable production area is situated on the northern boundary of Nongoma. The agricultural corridor does not only refer to processing of arable agricultural product, as a large portion of the land is suitable for livestock grazing.

#### D. Tourism Corridors

Nongoma Local Municipality is situated in the District municipality acting as the main entrance point into the Province from the Kingdom of Swaziland, and the Mpumalanga Province. There is subsequently a large number of tourist traffic traversing the district on a daily basis.

Nongoma unfortunately is not very accessible from the main entrance points to the District, but through development of the R66, and the completion of the tarred surface, a number of tourism development opportunities can be unlocked linked to the increase in tourism traffic through Nongoma.

### 3.3. ENVIRONMENTAL ANALYSIS

The purpose of the environmental analysis is to ensure that municipal development strategies and projects take existing environmental problems and threats into consideration as well as environmental assets that require protection or controlled management.

While the principal duty of a municipality is to govern the affairs of that municipality in accordance with the Constitution and relevant legislation, especially the Structures Act and the Systems Act; the environmental right<sup>1</sup> contained in the Bill of Rights imposes another important duty on municipalities. As such municipalities play a fundamental role in the protection of the environment. In fact, they are obliged to ensure that the environment is protected for present and future generations.

#### 3.3.1. THE BIOPHYSICAL CONTEXT

The evaluation of the municipal biophysical context forms the basis for proactive integrated environmental management as indicated by SPLUMA to ensure that environmental management and environmental planning have the same outcomes as far as sustainability is concerned. Through this evaluation, pertinent environmental considerations can be streamlined into spatial planning processes and necessary mitigation and adaptive measures can be put in place. This section stems from Chapter 4 of SPLUMA Section 12(1)(m) and 24(1)(b) as well as NEMA Section 24(2)(c) and (e).

##### **I) Climate**

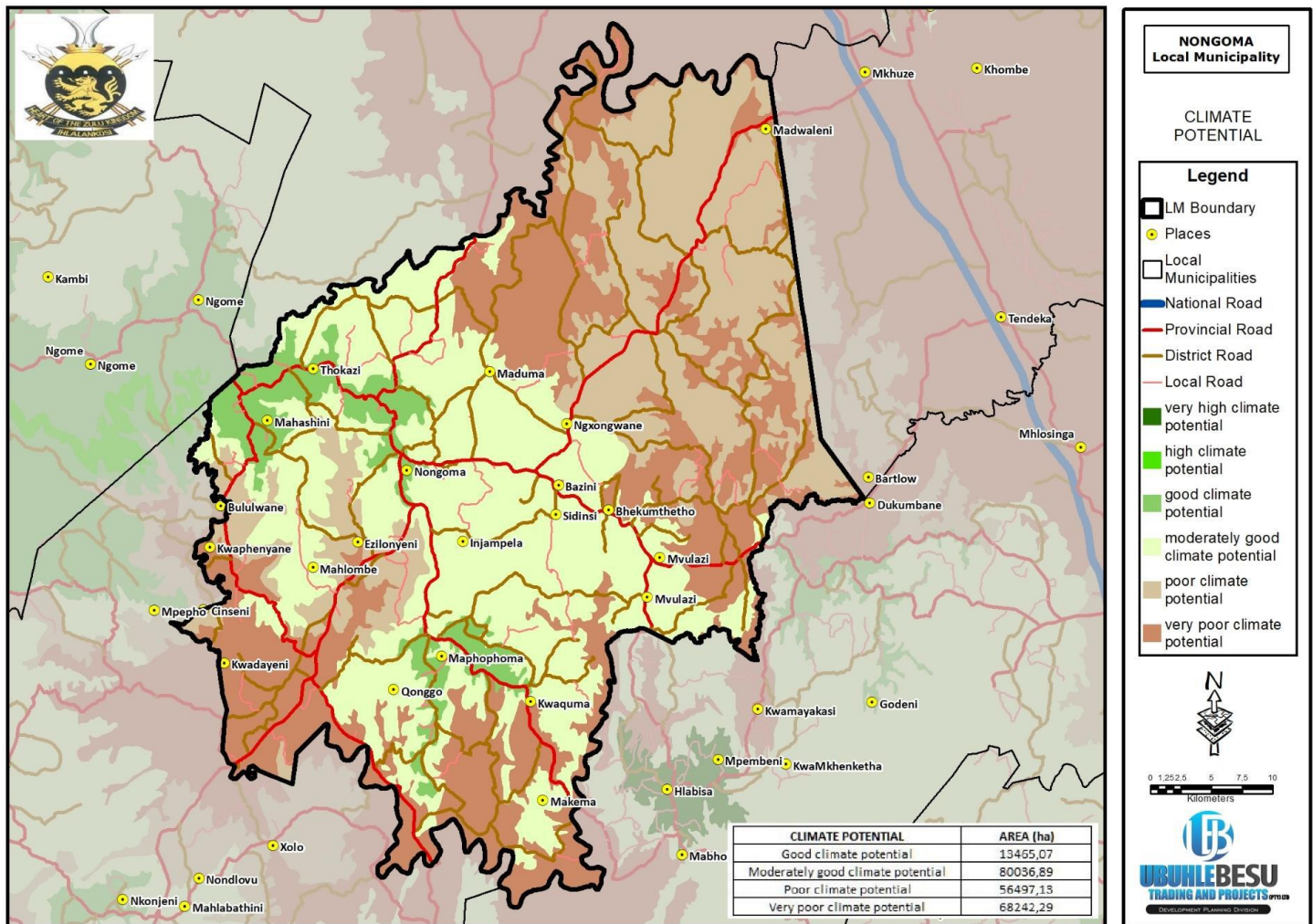
Nongoma normally receives about 775mm of rain per year, with most rainfall occurring mainly during mid-summer. The average rainfall varies for Nongoma per month and it receives the lowest rainfall (8mm) in July and the highest (124mm) in December. The monthly distribution of average daily maximum temperatures shows that the average midday temperatures for Nongoma range from 21.9°C in June to 29°C in January. The region is the coldest during June when the mercury drops to 7.4°C on average during the night.

CLIMATE POTENTIAL	AREA (HA)	% OF MUNICIPAL AREA
Good climate potential	13465,07	6,2
Moderately good	80036,89	36,7
Poor climate potential	56497,13	25,9
Very poor climate	68242,29	31,3

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<sup>1</sup> Section 24.

Map 11: Nongoma Climate Change Potential, Nongoma SDF: Status Quo report, 2019



## II) Geology and Topography

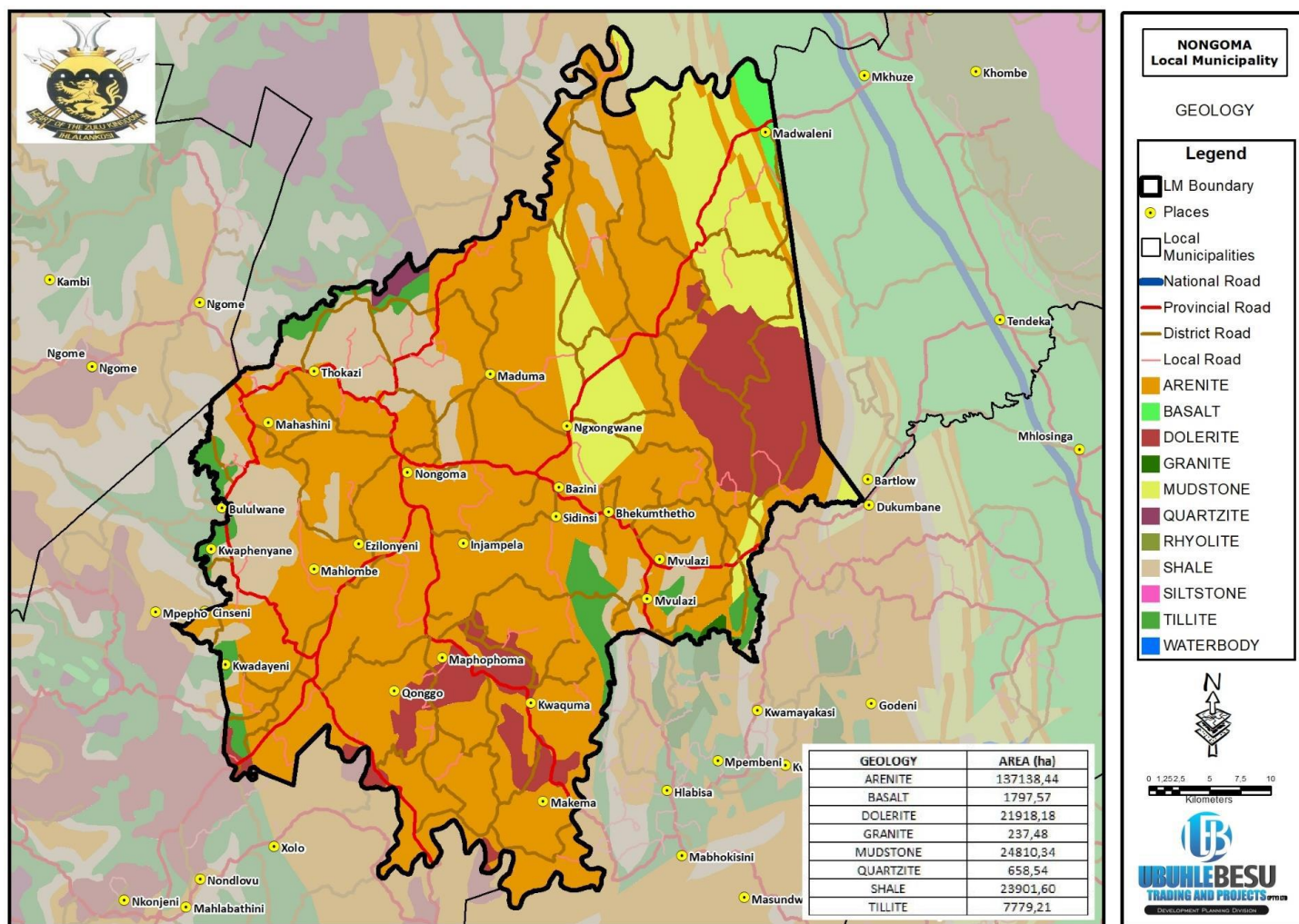
The geological formation of NLM rests upon the Basement Complex which comprises the most highly mineralized ancient rocks of the geological series, including granites some of which are highly erodible when exposed to the elements. The granite landscape is characterized by immense relief (Thorrington-Smith, 1978). The geological structure found in the municipality is mainly characterised by clastic sedimentary rocks such as Arenite, Dolerite, Mudstone and Shale. Clastic sedimentary rocks are formed from mechanical weathering debris. Map 10 and the table below depict the various types of geological features found within the municipal boundary and the extent thereof:

GEOLOGY	AREA (HA)
ARENITE	137138,44
BASALT	1797,57
DOLERITE	21918,18
GRANITE	237,48
MUDSTONE	24810,34
QUARTZITE	658,54
SHALE	23901,60
TILLITE	7779,21

Nongoma is split into two topographic areas by a ridge running in an east-west line. The stony terrain is undulating to hilly with the highest areas situated in the central and north western areas of the Municipality, which includes areas of Mahashini and Nongoma town. It is dissected by several streams and rivers and is characterized by numerous Bad Lands thus the arable area is confined to the flatter parts of the plateau or in the wider river valleys. The plains and valleys are commonly used for settlements and crop cultivation, as a result scattered settlement patterns are observed.

The mean elevation (m above sea level) ranges from 257m above sea level, to 1,135m above sea level and the town of Nongoma is situated on a ridge approximately 750 meters above sea level slightly West of the Centre of the Municipality. The varying topography reduces the developable envelope and accessible land, however may increase the number of possible catchments and water bodies within the areas.

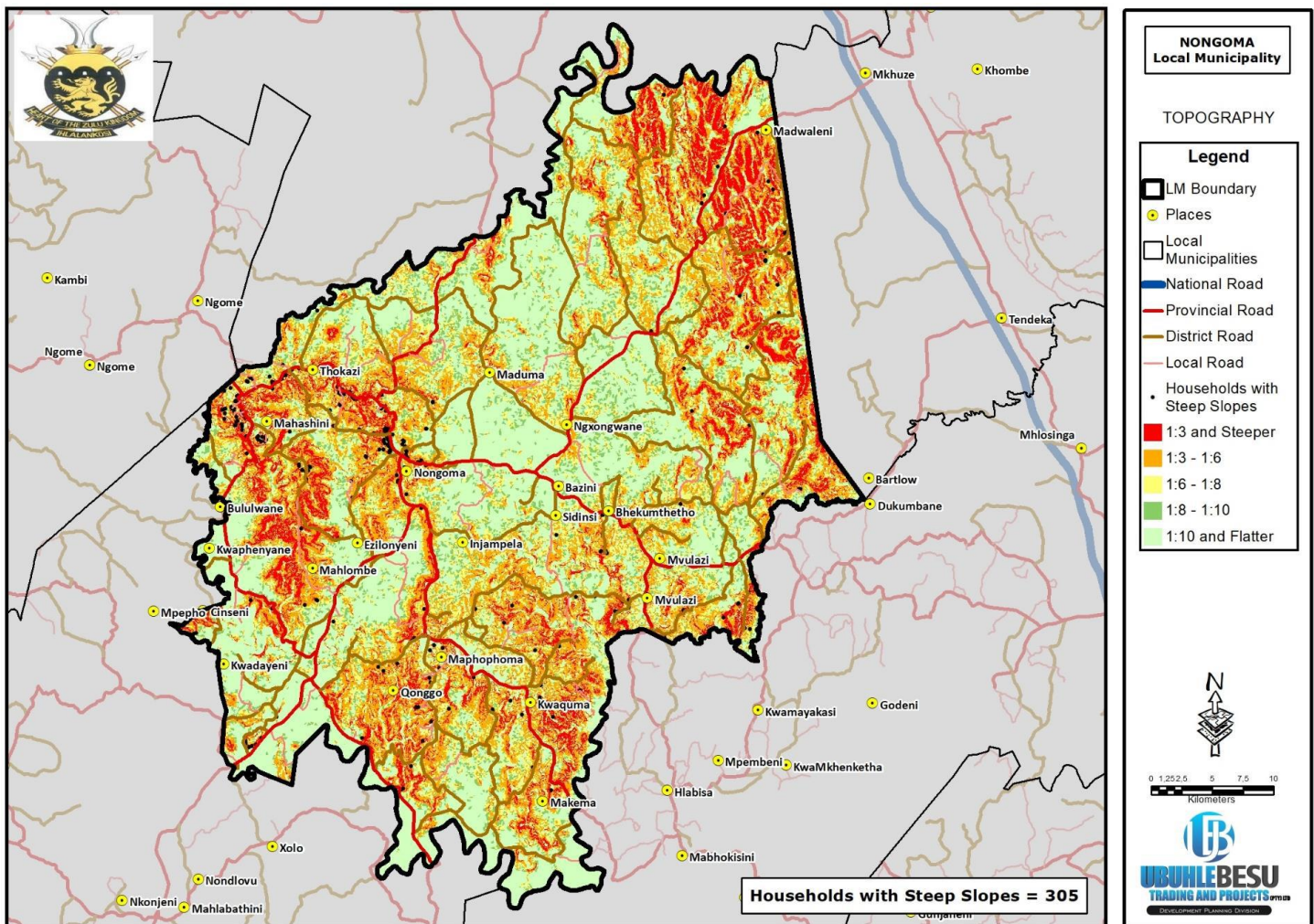
Map 12: Nongoma Geological Character, Nongoma SDF: Status Quo report, 2019



### III) Natural Landscape Character

The NLM fluctuates in terms of topography and ridges are distinctively identifiable along the landscape; this landscape is characterised by rural pockets of settlements and individual residential and agricultural plots. However large parts of the landscape are covered by natural features such as aloes, vegetation and bush; all these add to the natural scenery. The combination of the rivers, valleys and topography variation around Maphophoma and Kwadayeni areas, create scenic views which have a potential for tourism routes that showcase the beauty of nature. Dry and rocky dongas are also found south of Enyonkeni Royal Palace, provides an unusual yet pleasing and fascinating visual.

Map 13: Nongoma LM Topographical features, Nongoma SDF: Status Quo report, 2019



#### **IV) Drainage and Surface Water features**

A catchment area is an extent or area of land where water from rain drains downhill into a body of water, such as a river, lake or dam. The drainage basin includes both the streams and rivers that convey the water as well as the land surfaces from which water drains into those channels and is separated from adjacent basins by a catchment divide.

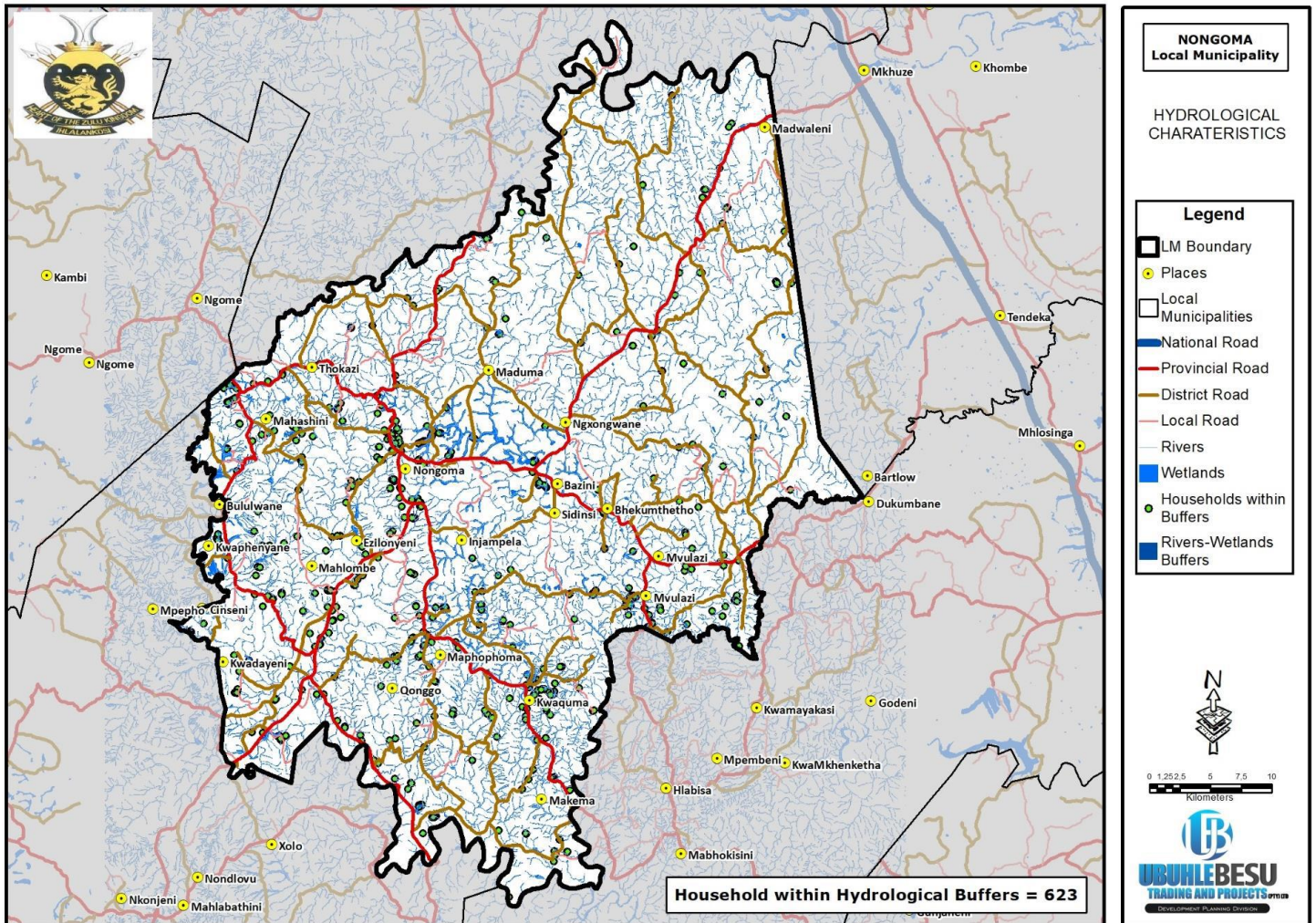
Map 10 below depicts the catchment areas for Nongoma LM. A total of 11 quaternary catchment areas exist within the Local Authority, which is also an indication of the extreme topographical changes of the area. As can be seen on the Map: Hydrological Characteristics below, the drainage patterns in the area follow the everchanging topography that is found within the municipality; where three major patterns are identifiable. Nongoma Municipality is drained by three major rivers.

The Mkuze River flows in an easterly direction dropping from approximately 300m to 150m, and draining the northern pan of the district. It also forms part of the northern boundary of the district. The western part of the district is drained by the Bululwane River, which rises in the north and flows south draining into the easterly flowing Black Umfolozi river. The Black Umfolozi River is the southern district boundary. The Mona and Vuna Rivers flow centrally of the municipality with each draining easterly and westerly, respectively.

The Black Mfolozi catchments consist mostly of Traditional Council land, with the main activity being cattle farming. There is approximately 100km<sup>2</sup> of commercial forestry (or 3% the land cover) and 20km<sup>2</sup> of alien vegetation (or less than 1% of the land cover) situated in the upper reaches of the catchment. Only a small portion of the catchment area is irrigated, estimated at about 15 km<sup>2</sup>. The Hluhluwe-iMfolozi Park lies at the outlet of the catchment from the Zululand District Municipality.

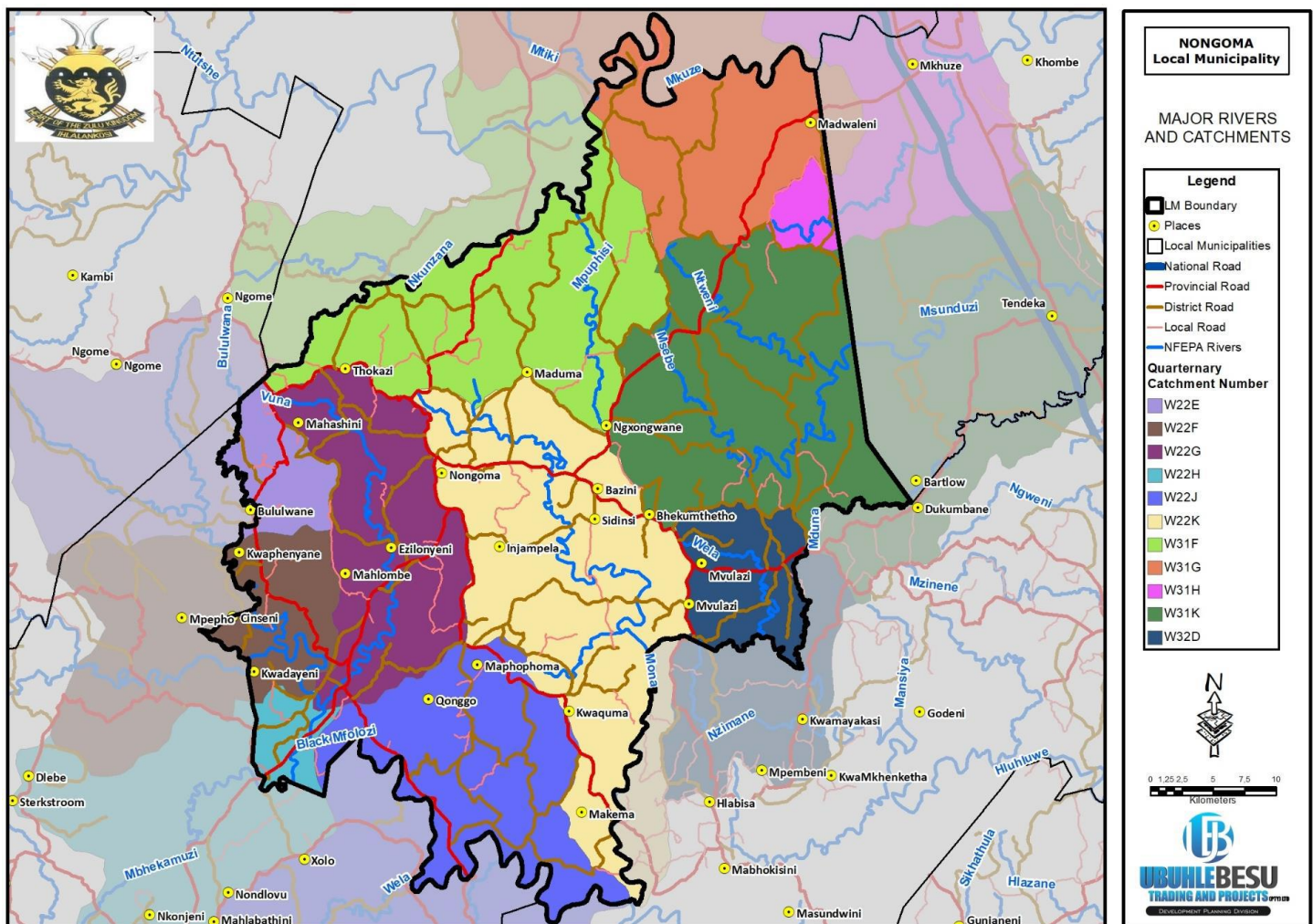
The water resources of the Black Mfolozi catchments are mostly undeveloped and underutilized. The major water users in these catchments are irrigation and domestic rural water supply. Nongoma receives water from the Vuna River (W22G). A reconciliation that includes the Usuthu RWSS, with estimated water requirements of 2.5x10<sup>6</sup>m<sup>3</sup>/annum, indicates that there is a deficit in the lower Black Mfolozi during the winter months owing to large scale irrigation development near the mouth of the Mfolozi River and abstractions for transfer to the Mhlathuze catchments. The confluence of the Black and White Mfolozi Rivers occurs in the Hluhluwe-iMfolozi Park (Zululand District Draft IDP 2019/20).

Map 14: Nongoma LM Hydrological Charectarestics, Nongoma LM SDF: Status Quo report, 2019



It is therefore necessary to consider the impact that settlements have on the quality of water, the environment and where sanitation services are critically needed to prevent waterborne diseases. The use of pesticides on large scale for agricultural use must be limited as commercial farming can have a negative impact on the quality of water. The spatial development framework must therefore highlight the critical aspects which need to be addressed as a matter of urgency, and ensure that no land use is proposed in an area, where the specific land use can have detrimental effects on the environment.

Map 15: Nongoma LM Major rivers and Catchments, Nongoma SDF: Status Quo report, 2019



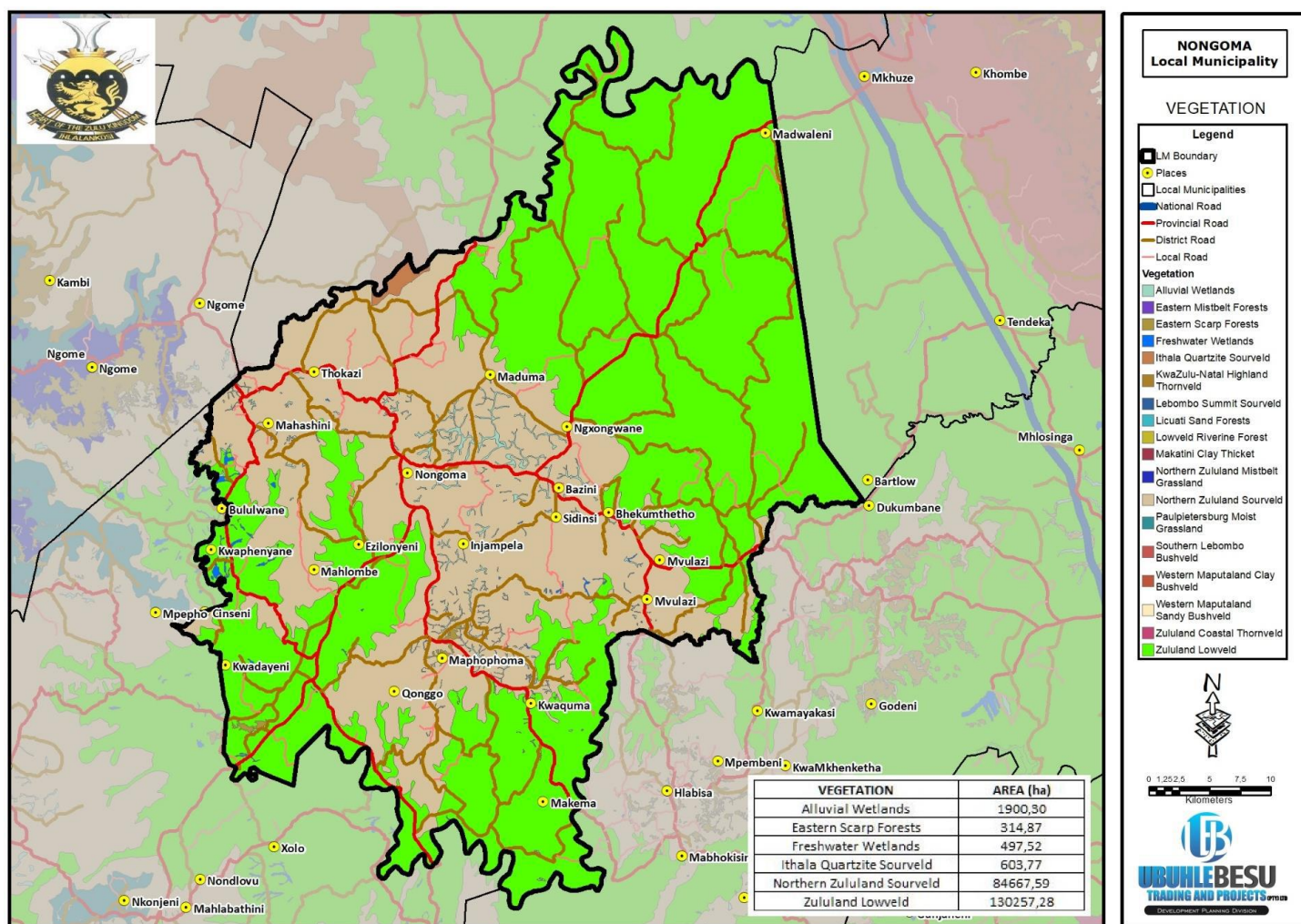
## V) Land cover and Vegetation

Nongoma Municipality covers approximately 218 000km<sup>2</sup> of land (KZN DEDTEA) and can be categorised as a rural area with settlements patterns that are widely distributed in the landscape where most people make a subsistence living. The predominant land cover categories are bushland, degraded vegetation, forest and woodland, wetlands/dams, settlement, grassland, and subsistence agricultural. Settlements cover approximately 20% of the municipal area and follow a dispersed pattern. Although erosion areas are found throughout the municipal area, the highest occurrence of soil erosion is near the settlement areas, where human activity is the cause of the degradation. The highest occurrence of erosion is at Madumo, and on the northern boundary of the Municipality. The main concentrations of subsistence farming are within the northern areas of the Municipality, and close to the southern settlements of Mvulazi, Bazini, Nongoma, and Kwadayeni.

The rainfall levels in the area and the diversity in landscape features have created different and a particular environment conducive for various types of vegetation in the municipal area. The northern and north-western parts of the study area are predominantly covered by Zululand Lowveld to the extent that it covers approximately 57% of the entire municipal area, as seen in the Map: Vegetation and table below.

VEGETATION	AREA (HA)
Alluvial Wetlands	1900,30
Eastern Scarp Forests	314,87
Freshwater Wetlands	497,52
Ithala Quartzite Sourveld	603,77
Northern Zululand Sourveld	84667,59
Zululand Lowveld	130257,28

Map 16: Nongoma LM Vegetation features, Nongoma LM SDF: Status Quo Report, 2019



## **VII) Agriculture potential**

According to the Zululand Biodiversity Sector Plan (2015) Nongoma Municipality is predominantly covered with Secondary and Mixed Agricultural Land. The extent of high agricultural potential land and arable land in the Nongoma Municipality is approximately less than 25 percent of the total land area of the Nongoma Municipality (Draft Nongoma Agricultural Strategy, 2019). Wards 1, 2, 3 and 18 have the largest land of high agricultural potential relative to the total area of the Wards.

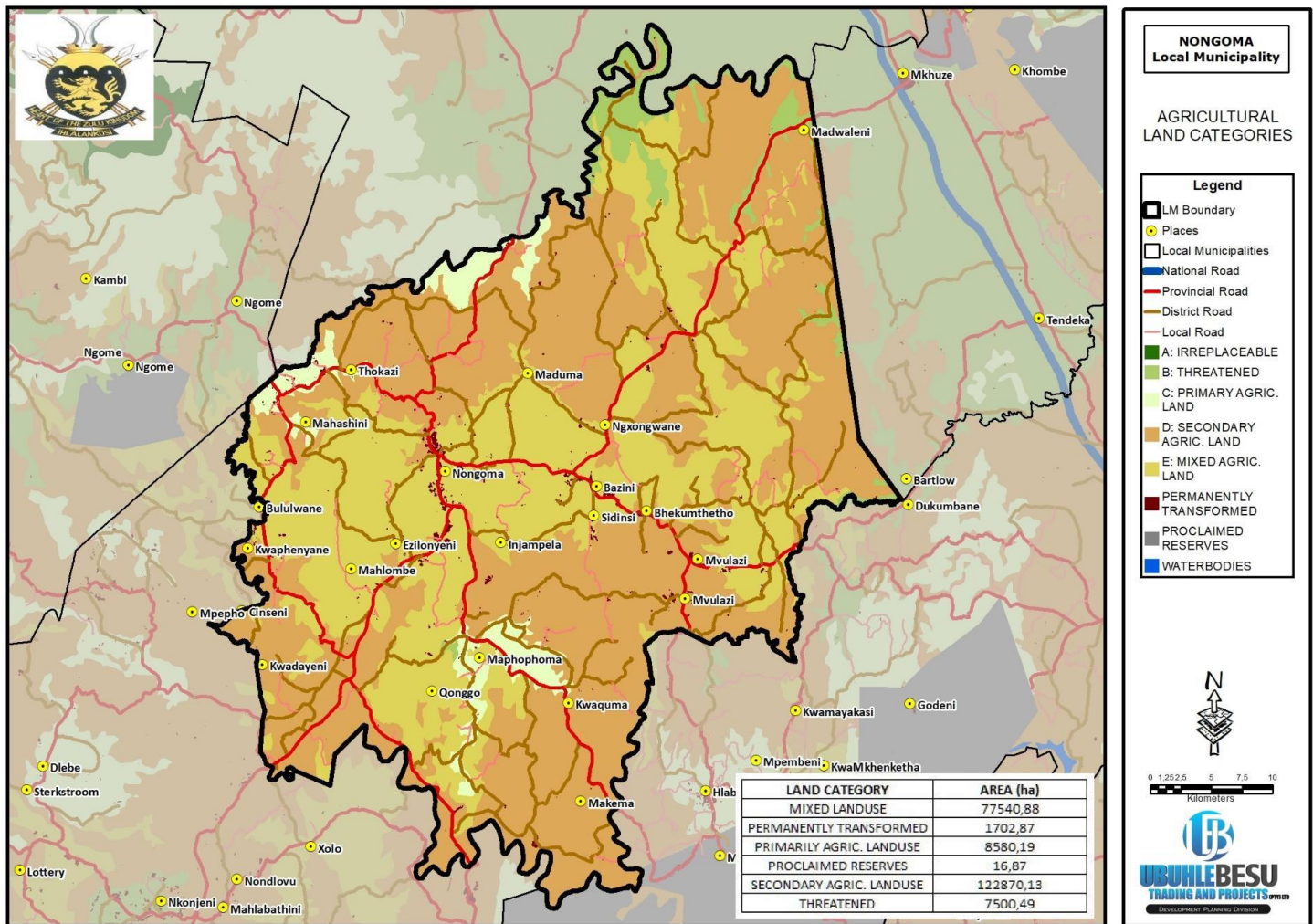
Thus, should primary agriculture be contemplated as a vehicle for economic development these are the key wards to focus on. Wards 5, 12, 15, 16, 17 and 21 do have pockets of high productive land however most of their land area is for secondary and mixed agriculture. This proposed land use zone in the latter wards consists of "Category D Agricultural Land" which is seen as land with Moderate Potential. It will require high input costs to make small portions of land economically viable.

The land with the highest potential is situated on the Northern boundary with uPhongolo Local Municipality, and centrally in the Maphophoma area and surrounding. The lowest category seems to follow the movement routes of the R66 and R618, and was transformed due to human activity along these routes. The current cultivation pattern does not correspond to the potential of the land and is more linked to the settlement pattern as the settlements are dependent on agriculture and subsistence farming for survival. This might have to affect that some of the farms are not as productive as the areas closer to the higher agricultural potential land.

The land use map depicts a much larger spread of subsistence farming than the land cover plan. It also depicts only a small portion of the high agricultural land being used for Commercial farming activities. This provides an opportunity for the expansion of commercial farming within the municipality.

As the Municipality is not well served by roads, the potential of farmers in the area to grow fresh produce such as fruits and vegetables for the larger markets is limited. The municipality should consider the possibility of providing access roads to agricultural potential areas to catalyse agricultural activities that could address poverty and promote economic growth of the municipality. The PSEDS identifies the R66 between Nongoma and Pongola Town as an agricultural Corridor. This route is identified by the PSEDS as a secondary Provincial Corridor. The agricultural production areas are situated partly on the boundary between Nongoma LM and uPhongolo, but the main arable production area is situated on the northern boundary of Nongoma. The agricultural corridor does not only refer to processing of arable agricultural product, as a large portion of the land is suitable for livestock grazing.

Map 17: Nongoma LM Agricultural Land categories, Nongoma LM SDF: Status Quo report, 2019



### VIII) Air

The quality of the air in NLM is considered to be good, as expected in rural areas. This can be ascribed to the rural nature of the area, with low densities of motor vehicles and no heavy industries that can contribute to a marked decrease in air quality. Air pollution is most likely to be associated with the burning of sugar cane, fuel wood and fugitive dust emissions generated from unpaved roads. Household related burning of wood is high in rural settlements however usually a low impact has to the air quality of the municipality.

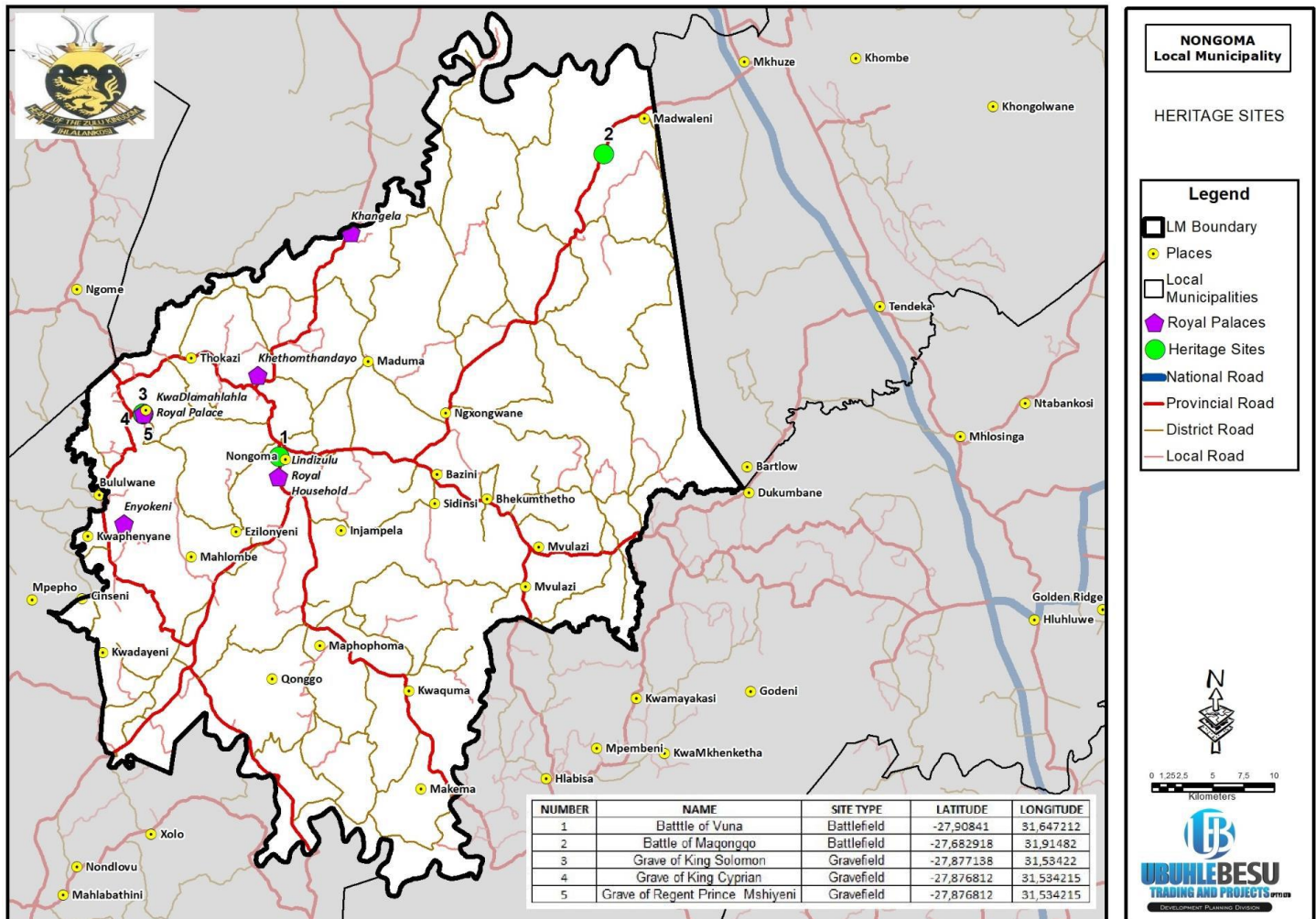
### IX) Cultural Sites, Heritage Sites and Protected Buildings

The Nongoma Municipality is very rich in culture as it is home to the Zulu Monarch (His Majesty King Goodwill Zwelithini kaBhekuzulu - Isilo, Ingonyama, Hlangalomhlathi, Isilo Samabandla) and all previous Zulu Kings, including the renowned King Shaka. As a result, Nongoma is home to 6 of the King's palaces.

A list of heritage sites supplied by Amafa / Heritage KwaZulu Natali indicates 5 heritage sites which include battlefields (Battle of Vuna and Battle of Maqongqo) and gravefields (Grave of King Solomon, Grave of King Cyprian and Grave of Regent Prince Mshiyeni). It is noted that in addition to this list, there are a number of other heritage sites such as royal family sites and graves, of which some are indicated on Map 17. It is also noted and acknowledged by Amafa that there are other sites of local importance such as the Magistrate's

Court, Residency and any other government buildings, churches and mission stations, hospitals, schools, etc. These would include buildings that are over 60 years old, which are protected by Amafa.

Map 18: Nongoma LM Heritage sites, Nongoma LM SDF: Status Quo report, 2019



### 3.3.2. ENVIRONMENTAL CHANGE, IMPACTS AND PRIORITIES

Changes in the variability or the average state of the atmosphere over time are generally accepted as part of the natural cycle of climate change, but there is a large portion of the scientific community who believe that global climate variability has accelerated beyond natural cycles due to human activities. Climate change in this context refers to changes in the modern climate, including the rise in average temperatures known as global warming.

Climate change projections indicate that extreme weather events such as floods and droughts are likely to become more frequent and intense, and that poor and marginalised groups will be most vulnerable to the risks presented by change.

Natural and human induced factors influence the biophysical environment and drives environmental change. These changes place pressures on the environment and create outcomes, which are not always desirable. Therefore, environmental pressures must be maintained within their limits to avoid sudden ecological change that can drastically reduce the flow of ecosystem services, and, thereby increase pressures on the social and economic systems. This is the basis of sustainability.

Good environmental governance and leadership is key in identifying and dealing with environmental changes within the municipality and also undertaking the necessary awareness campaigns around such issues. Environmental governance is defined as “the exercising of authority over the use and management of natural resources, and the environment. It is essentially about making decisions and about who makes decisions. It includes rules, processes and behaviours that affect the manner in which decisions are made. These decisions ultimately determine whether the environment is harmed or improved” (DAERD, 2010). The existing municipal and traditional leadership within the municipality has great potential to drive change and creating desirable outcomes for the community and the environment.

### 3.3.3. PROTECTED AREAS AND CRITICAL BIODIVERSITY AREAS

Protected Areas are terrestrial, aquatic or marine areas that are formally protected by law and managed for the purpose of biodiversity conservation. Formal Protected Areas are gazetted in terms of the National Environmental Management: Protected Areas Act, 2003. NEMPAA distinguishes between several categories of Protected Areas: Special Nature Reserves, National Parks, Nature Reserves, and Protected Environments.

It also recognises World Heritage Sites declared in terms of the World Heritage Convention Act, 1999 (Act No. 49 of 1999); and other related legislation. Nongoma Municipality has two areas that are protected by Ezemvelo KZN Wildlife (1) south of the municipality in Mandlakazi which lies at along the boundary with Hlabisa Municipality and forms part of the Hluhluwe-Mfolozi Park. (2) South of the municipality along the boundary with uPhongola Municipality that forms part of the Somkhande Game Reserve.

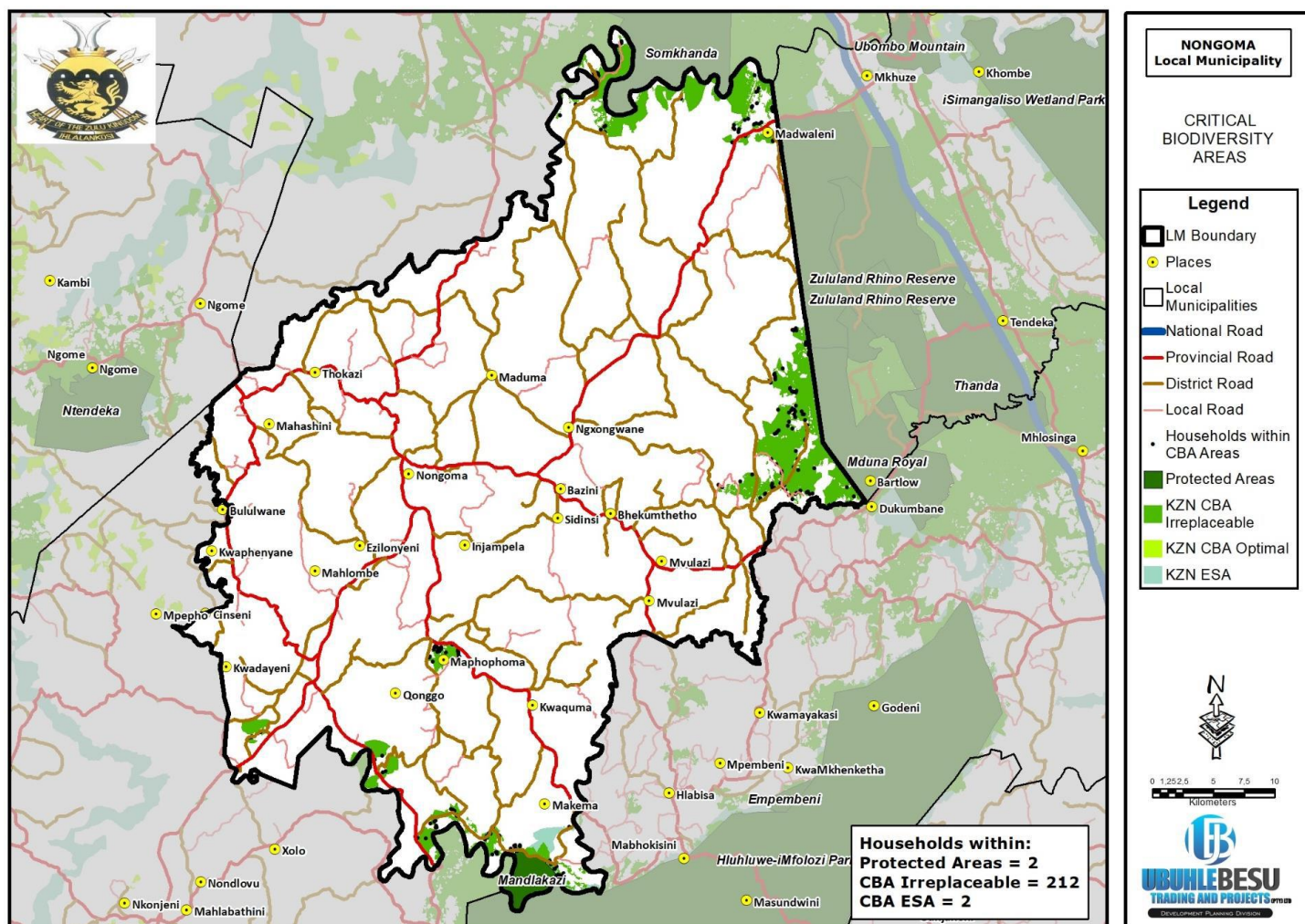
Conservation Areas are those areas of land not formally protected by law, but where primary land use is conservation. These areas are typically informally protected by the current owners and users, and managed at least partly for biodiversity conservation. As Conservation Areas are not gazetted in terms of NEMPAA, they are not considered to be Protected Areas.

They could include areas covered by the Biodiversity Agreements in terms of the NEM: Biodiversity Act, 2004 (Act No.10 of 2004) (NEMBA), Community Conservation Areas, Municipal Reserves, Commercial Game Parks, as well as non-declared Private Nature Reserves and conservancies (agreements for co-operation among neighbouring landowners and require no legal long-term commitment).

Critical Biodiversity Areas (CBA) are natural or near natural landscapes that are considered critical for meeting biodiversity targets and thresholds, and which safeguard areas required for the persistence of viable populations of species and the functionality of ecosystems. There are few areas within the municipality that have been identified by Ezemvelo KZN Wildlife as KZN CBA Irreplaceable and are located along the north-eastern municipal boundary, along the western boundary bordering the Zululand Rhino Reserve, and in the area of Maphophoma.

The identification of these areas with environmentally sensitive areas aims to ensure that they are well protected and necessary considerations are made as far as development proposals are concerned. The municipality along with traditional leadership have the responsibility to ensure that these areas are protected by the community and that suitable land uses, economic activities and tourism opportunities are realised in and around these areas.

Map 19: Critical Biodiversity Areas within Nongoma, Nongoma SDF: Status Quo report, 2019



### 3.3.4. AREAS OF ENVIRONMENTAL SENSITIVITY

The following table summarizes the areas of environmental sensitivity within Nongoma municipality.

Table 3: Areas of Environmental Sensitivity within Nongoma LM, Urban Econ, 2009)

Item	Area	Ward	Importance	Potentials
1	KwaNdunu	19	Historical and heritage site (Battlefield)	Tourism
2	Mbili Dam	16	Chalets, lodge, 4x4 trails, River rafting on the Invuna River, Camping	Tourism
3	Sinkonkonko	7	Rare rock formations	Tourism
4	Wela	7	Nature tourism, indigenous forests and adventure tourism	Tourism
5	Msebe	5	Historical and heritage site (Battlefield)	Tourism

6	Dlabe	9	Historical and heritage site	Tourism
7	Vungana and throughout the whole Nongoma, but needs to be developed	1	Eco-tourism, nature and game reserve	Tourism
8	Bhanganoma	1	Historical and heritage site	Tourism

Active protection of valuable environmental resources is regarded as critical (wetlands, indigenous forests, grasslands, and bushveld). Community involvement in viable tourism enterprises, which conserve the environment while providing employment and / or income, should be fostered and encouraged. The conservation of biodiversity is of concern. Evapo-transpiration by indigenous forests is less than from pine and eucalypt plantations, plantations use more water than grasslands and natural forests – CSIR (2012). Riparian zones (drainage lines, streams, rivers and wetlands) typically cover about 15% of a catchment, thus they make up about 60% of the unplanted zones in forest plantations. They are, therefore, extremely important areas for the conservation of biodiversity.

### 3.3.5. STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

The Nongoma Municipality is currently reviewing its SDF. Subsequent to the SDF review, the municipality has on its draft budgeted for the Strategic Environmental Assessment (SEA) process to be conducted in 2019/2020 FY. Based on the Zululand District Municipality SEA, the following issues relevant to Nongoma LM have been identified:

Key Issue	Brief Description
Wetland Degradation	Wetland degradation is especially evident near urban or built up areas and occurs mainly as a result of inappropriate formal and informal development.
Soil Erosion	Soil erosion occurs throughout the region, but especially in the rural areas and in association with roads, pathways and subsistence agriculture.
Low Cost Housing Problems	Typical low cost housing related problems are subsidence, sewage problems and collapsing of houses.
Poor Sewage System Maintenance/Infrastructure	Instances of overflowing sewage treatment plants or emergency overflows as a result of failed, incorrectly installed, or vandalized pump houses.
Over Utilization of Soils	Over utilization of soils in some areas (no crop rotation) results in reduced agricultural potential, and eventually soil erosion and subsidence.
Sand Winning	Illegal sand winning without permits.
Alien Invasive Weeds	Proliferation of alien invasive plants throughout the region in rural and urban areas, in watercourses, wetlands, and especially around or on the edges of forests and afforested areas.

Family Planning and Poverty	While the national population growth rate is currently estimated at around 0%, with possible increases only resulting from influxes of immigrants, the impact of poor family planning on the families involved and their surrounding environment is considerable.
Management of Water Resources	Incorrect citing of high-impact developments (such as low cost housing with poor sewage, wastewater and storm water management) in close proximity to wetlands, drainage lines, rivers and dams is resulting in water pollution. There is a need to protect water resources as a means to prevent waterborne diseases and ensure adequate supply of quality water for household consumption.
Threat from Forestry to the Natural Environment	The municipality is located in an area well suited to commercial forestry, but a forestry threat to the natural environment is evident – especially in terms of encouraging unchecked alien invasive plant growth within or on the borders of afforested areas, and in the utilization of high priority ecological / biodiversity and tourism areas for forestry.
Veld Fires	The veld is currently considerably over-burnt and this is resulting in soil erosion, damage to soil conditions and nutrients and the proliferation of: alien invasive plants; undesirable, less-palatable grass species; and woody species, which in turn create impenetrable thickets and further soil erosion.
Requirement for a Municipal Open Space System	A clearly defined municipal open space system (for the entire municipal area, but especially in the ‘urban’ areas of Nongoma) is required for the protection of wetlands, associated rivers, streams and catchments and areas of natural beauty.
Amenity and Shelter Planting	Amenity and shelter planting (in all built up areas) is required to improve the residential and commercial centres and the general ‘feel’ or amenity of the area. This will improve the quality of life for all residents, as well as enhancing the natural environment, and could even attract tourists and business.
Solid Waste Management	Address waste disposal issues - solid waste management is a critical issue for the District Municipality. Almost all the landfill sites within Zululand need upgrading in order to comply with the legal requirements related to waste management.
Environmental Accounting	Environmental issues and impacts are often not addressed in developments and projects. Environmental accounting needs to be become more integrated into the development planning process and must be considered in the very initial phases of planning any new development or upgrade, prior to any costly mistakes being made.
High Tourism Potential	The region has a high tourism potential, which has not been properly exploited, environmentally or otherwise. Numerous sites of tourism significance are being ignored or insufficiently marketed.
Unsustainable Agricultural	Loss of agricultural land due to development pressure, in which hard

Practices/Management	surfaced developments use up agricultural land is a serious issue, as this land is usually permanently lost to agriculture once covered over. Only land with low agricultural potential should be utilized for these types of developments.
Loss of Indigenous Vegetation Communities	Loss of indigenous vegetation communities and habitats due to: Afforestation Poor farming practices Alien plant invasion Poor catchment management Informal housing
Conservation of Biodiversity	Active protection of valuable environmental resources is regarded as critical (wetlands, indigenous forests, grasslands, and bush veld). Community involvement in viable tourism enterprises, which conserve the environment while providing employment and /or income, should be fostered and encouraged.
Rehabilitation of Damages and Degraded Areas	Rehabilitation of damaged and degraded areas does not ordinarily occur, as there was not previously any legislation to enforce it, (this has now changed), and the municipality could begin to enforce this legislation.
Management of Cemeteries	Upgrade and institute proper management of cemeteries (according to National Legislation guidelines).
Management of Biodiversity outside Protected Areas	Critical pieces of land (as identified by Ezemvelo KZN Wildlife) are required to sustain the natural resource base outside Protected Areas; these should be managed under appropriate protection measures.
Community Benefits from the Environment	Communities who value biodiversity should be able to share in the benefits of natural resources and community-based tourism initiatives. Environmental management plans should incorporate social issues in order to get 'buy in' from affected communities, including decision makers.

### 3.3.6. WASTE MANAGEMENT

Nongoma Local municipality has an Integrated Waste Management Plan in place. The majority of households in the NLM, use own communal dumps for waste disposal. Households that receive collection from the municipality are only 1732 and the rest of the households have no access to rubbish removal services or have to use other means of removing their refuse (Figure 9 and 10).

Figure 8: Refuse Services per Household in Nongoma LM (Nongoma IWMP, 2018)

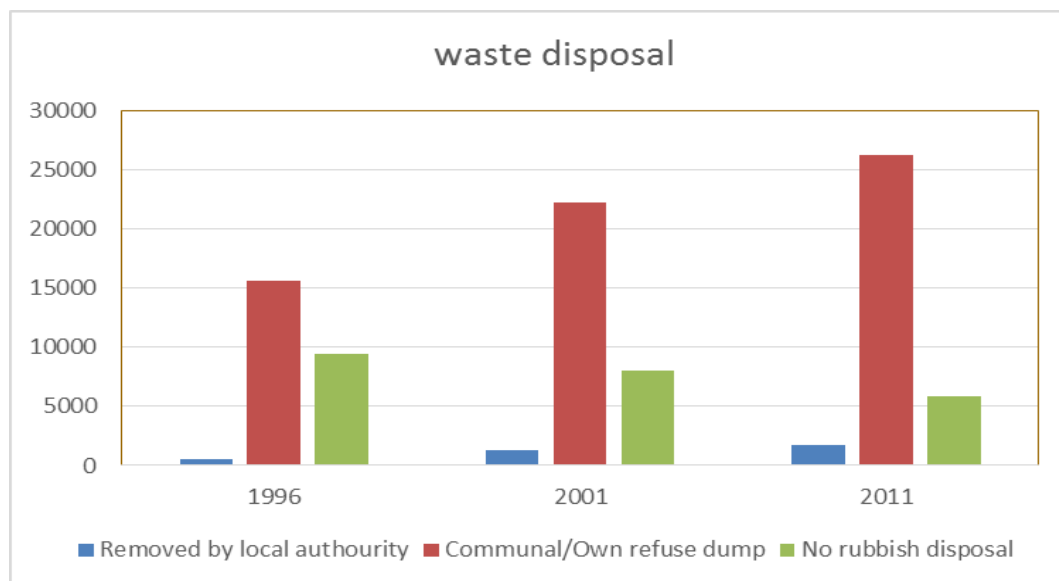


Figure 9: Waste Disposal in Nongoma LM (StatsSa, 2011)

	Year		
	1996	2001	2011
Removed by local authority/private company	504	1 349	1 732
Communal/Own refuse dump	15 590	22 258	26 192
No rubbish disposal	9 417	7 974	5 852

## A. Waste Management Strategies, Systems and Practices

### 1. General appearance

The central business district (CBD) of Nongoma is dirty with litter all over the town especially at the taxi rank area. Although skips have been placed around the town there are no bins to prevent casual littering. There are many hotspot areas of illegal dumping around the town. Despite the fact that widespread illegal dumping within the municipal collection areas can easily be discerned all around the municipality, there are no actual figures quantifying the extent of the problem. The municipality aesthetic is not appealing.

### 2. Waste collection

The municipality is responsible for kerbside waste collection, litter picking and street cleaning. Residences receive twice a week collection and they are provided with three plastic bags. They are required to place their waste in bags or bins outside their properties on the scheduled day of collection (Tuesday and Friday). Institutions within the service areas such as schools are provided with skips which is emptied once full. There is no litter picking in the residential areas hence the area is polluted with litter. In the CBD refuse is removed daily. Skips are provided at points of high litter generation (such as taxi ranks, bus stops and shops) and are cleared once full. Street cleaning and litter picking around the CBD is done on a daily basis. During busy periods mostly month end and public holidays, an additional frequency of waste collection and cleaning up is done to clear the high volumes of waste produced.

### **3. Organic and rubble waste collection**

Currently rubble and garden waste is disposed together with domestic waste in the skips. It is the intention of the municipality that rubble and garden refuse be collected separately from domestic waste. It is common within the municipality to see heaps of rubble or garden waste illegally dumped.

### **4. Medical and hazardous waste collection**

The municipality has one hospital (Benedictine Hospital), fourteen clinics and one private medical practice (Philani Private Hospital). Waste from the clinics is collected to the central storage at the Benedictine hospital. Campus waste is contracted to collect the medical waste on a weekly basis which is incinerated in Pinetown. The hospital keeps detailed records on site showing the type of waste collected from clinics, volumes and what Campus waste collected. There are no measures within the municipality on dealing with household medical waste and this is collected and disposed of at the dumpsite together with the domestic waste. In terms of the legislation generators of hazardous and medical waste are responsible for its storage, collection, treatment, transportation and disposal. The municipality plays a monitoring role of making sure waste disposal is done according to stipulated standards

Household hazardous waste includes paints, paint thinners, paint strippers, drain cleaners, bleach, disused motor oil, dry cell batteries, lead acid batteries, button batteries and the associated packaging containers. Disposable nappies should also be seen as domestic hazardous waste. There does not appear to be a strategy in place for the safe disposal of any hazardous domestic waste and these products find their way to the landfill.

### **5. Waste collection initiatives**

Currently the municipality has the waste brigades (EPWP initiative) who are assisting with the waste management within the municipality. The EPWP has employed eighteen personnel including: one supervisor, four administrators, six administrators and seven landfill site assistants. However they are not under the waste management department compromising their function as they are managed by the Technical Director.

### **6. Waste re-use and recycling**

Diversion of the waste from the landfill reduces dependence on landfilling waste, as well as the associated risk of greenhouse gas emissions. It reduces the risk of methane and other gases impacting on the surrounding land, and reduces the risk of organic compounds and other contaminants possibly polluting groundwater. The large shops like Shoprite have a bailer provided by Mondi they sale cardboard box from the shop to Mondi. The municipality itself is not involved in any formal recycling initiative, however the contractor managing the dumpsite has appointed three companies to recycle on site. There are about 15 employees on site who are exposed to hazardous working conditions as they do not have any proper protective clothing. The companies only take paper and plastics and sell to Mondi in Richards Bay, bottles are not recycled as there is no market to sell the bottles. The lack of structured waste separation initiatives impacts on downstream waste management activities within the municipality as a result of:

- unrecovered recyclables occupying valuable airspace at the landfill site
- negative environmental impacts due to pollution and inefficient use of natural resources
- the loss of potential empowerment opportunities and jobs which could be created by recycling projects

Without a meaningful intervention by the municipality, it is unlikely that any significant recycling will occur. Not even a paper bank exists within the municipality.

Figure 10: Separation at the Landfill site (Nongoma IWMP, 2018)



## 7. Composting

The municipality currently does not compost any of its collected organic waste.

### B. Waste Management Facilities

The municipality does not have any transfer stations, Buy Back Center and Material Recovery Facilities. Below is the equipment of what municipality uses to collect waste (one compactor truck and skip bins)

#### 1. Waste disposal site

Current waste disposal operations take place at an unlicensed dump site which is located adjacent to the town (estimated distance 4km). The operation that is currently being carried out on site involves trenching. There are currently inadequate controls in place to prevent the disposal of hazardous waste at this site and this is known to be a problem. There is no fence and animals are always on site. Furthermore, the site does not have a weighbridge, so waste quantities have to be estimated. It is understood, though, that the Nongoma Municipality does have a weigh bridge stored at the municipal office due to safety reasons. The weigh bridge cannot be placed at the dump site since the site is not fenced and secured. This negatively affects the reliability of statistics on waste volumes for the municipality. Operational standards at the dumpsite do not meet the standards of the DWAF minimum requirements:

- There is no evidence of an operational management plan being followed.
- There is no access control and the site is not fenced
- There is no dust suppression at site, and the compaction method is poor.

The dumpsite is at present not a facility to be proud of. Litter is visible on and in the buffer zone, with nearby trees and shrubs defaced with windblown litter. The municipality has been given a notice to close and find a new site<sup>2</sup>.

### **3. IWMP Implementation progress to date**

The following have been achieved towards the implementation of the IWMP:

- Establishment of a sub-unit (Waste Management) under Social Services Unit;
- The landfill site audit has been conducted to determine the state and compliance of the site
- The process of identifying a suitable land for the establishment of a new landfill site has commenced.

#### **3.3.7. DISASTER MANAGEMENT**

The Municipality is primarily responsible for the implementation of the Disaster Management Act, 2002 (Act 57 of 2002) within its area of jurisdiction, with a specific focus on ensuring effective and focused disaster risk reduction planning. Cekwenza Pty (Ltd) reviewed the Municipal Disaster Management Sector Plan in November 2017.

The outcomes of a comprehensive disaster risk assessment can ensure that all developmental initiatives as well as contingency planning and practice of the municipality are informed by accurate knowledge of disaster risk, enabling various stakeholders to contribute to the reduction of disaster risk within the Nongoma Local Municipality.

##### **3.3.7.1. Arrangements for the implementation of disaster risk management policy and legislation**

The disaster management function is located under social services department. The municipal council and portfolio committee support the disaster management unit in the following:

- Ensure appropriate disaster management mechanisms and institutional arrangements are in place;
- policy implementation; and
- Response to the disaster management related community needs.

Disaster management is cross-cutting in nature; therefore, it requires an engagement of all municipal line departments. There must be a coordinated effort and support of the municipal line departments, in the implementation of disaster management policy. The disaster management vulnerabilities also affects a wide range of municipal services such as; local economic development, sanitation, social and recreational amenities, spatial and town planning, water and waste management.

##### **3.3.7.2. The Municipal Disaster Management Centre (MDMC)**

According to the Disaster Management Amended Act, 2015, section 43 (3) states that “A local municipality must establish capacity for the development and co-ordination of a disaster management plan and the implementation of a disaster management function for the municipality which forms part of the disaster management plan as approved by the relevant municipal disaster management centre.” A fully established, resourced and functioning Municipal Disaster Management Centre is a key element of the plan.

Limited capacity currently exists in the Nongoma Local Municipality to fulfil all the functions required by the Disaster Management Act.

Capacity requirements are as follows:

- infrastructure to perform disaster management and fire & rescue services

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<sup>2</sup> The instruction was issued by KZN Provincial Department of Economic Development, Tourism Agriculture and Environmental Affairs.

- additional personnel
- a disaster management information system
- additional vehicles
- Additional funding / budget
- Additional training.

### **3.3.7.3 Nongoma Municipal Disaster Management and Fire & Rescue Services**

The Department of Disaster, Protection & Social Services within the Nongoma local municipality is assigned with the Disaster Management function. The Department of Disaster, Protection & Social Services within the Nongoma local municipality is also responsible to ensure the regular review and updating of the disaster management plan.

The Nongoma Municipal Disaster Management and Fire & Rescue Services is the primary functional unit for disaster management in the municipal area. The Municipal Disaster Management and Fire & Rescue Services provide direction for the implementation of disaster management policies and legislation and integration and coordination of municipal disaster management activities and priorities in order to ensure that national and provincial objectives are achieved.

### **3.3.7.4. Disaster Risk Management nodal points**

Although the municipal department within the Nongoma Municipality assigned with the Disaster Management function should direct and facilitate the disaster risk management process, it cannot perform the whole spectrum of disaster risk management activities on its own.

Therefore, it is required that each sector department operating within the municipality, assigns a person or section within the department to be the nodal point for disaster management activities for the municipality. The Municipality must identify disaster risk management focal/nodal points of each organ of state. The roles and responsibilities of all organs of state involved in disaster risk management must be identified.

Disaster risk management is a shared responsibility, which must be fostered through partnerships between the various stakeholders and cooperative relationships between the different spheres of government, the private sector and civil society. Furthermore, disaster risk management is an intergovernmental process, with each sphere of government playing a unique role and applying a specific set of responsibilities in the process. However the process requires collateral support to enable the sharing of resources fundamental to risk reduction and all facets of response and recovery.

### **3.3.7.5. Ward-Based Disaster Management Structures**

The community is the first to be affected by disasters. It is from the conditions of risk that exist in communities that all other disaster risk management activities evolve. It is in the community where all the operational activities related to disaster risk management take place. All disaster risk reduction planning, the development of projects and programs and the allocation of responsibilities must be founded on the needs and priorities of communities. Disaster risk reduction is a community-driven process.

When disasters occur or are threatening to occur, the initial response to the event comes from those directly affected by it. It is only thereafter that their actions are supported by the various response and resource agencies responsible for dealing with the disaster. In this regard, broad community participation in disaster risk management, as well as the enrolment of individuals as volunteers, must be actively promoted and encouraged, particularly in communities at risk.

The establishment of ward-based disaster management structures is critical too. The existing ward structures and ward-committee meetings are utilised for implementing disaster risk reduction at community level. These forums must provide leadership, ensure community ownership of and participation in disaster risk management and awareness programs, and facilitate preparedness in the local sphere.

### 3.3.7.6. Disaster Management Volunteers

The Disaster Management Act makes a provision for the recruitment, training and participation of volunteers in disaster risk management in all spheres of government. Section 58 of the Disaster Management Act specifies that municipalities establish a unit of volunteers to participate in disaster risk management within the municipality.

The inclusive approach of disaster management volunteers in the municipal disaster management activities may include the following e.g. disaster assessments, awareness campaigns, evacuation, crowd management, response and recovery.

### 3.3.7.7. Disaster Risk Profile

The Municipality current disaster risk profile is based on a detailed disaster risk assessment process. The disaster risk profile for the municipality is based on the data received from the consultations with communities and community development workers. The risk prioritization for the Nongoma Municipality is shown below:

Hazard type	Risk prioritization
Drought	
Lightning	
Strong winds	
Heavy rainfall	
Animal diseases	
Structural fires	
Veld fires	
Plant disease	
Floods	
Hailstorm	
Hazardous material- Hazmat:	
Spill/Release	
Drownings	

**NONGOMA LOCAL MUNICIPALITY**

**Legend**

- Place Names
- Rivers
- Railway Lines
- Road Type**
  - National Road
  - Provincial Road
  - District Road
  - Local Road
  - Access Road
- Ward Boundary
- Nongoma Municipality
- Surrounding Municipalities
- District Boundary

**Legend**

- Tourist Facility
- Courts
- Police Station
- Prison
- Schools
- Churches
- Community Halls
- Traditional Courts
- Health Facility Type**
  - Clinic
  - EMRS
  - Environmental Health
  - Mobile Base
  - Hospital
  - Water Pipeline
  - Electricity Line
- Veld Fire Hazard**
  - Very Low
  - Low
  - Medium
  - High
  - Extremely High

CLIENT: Nongoma Local Municipality

PROJECT: Disaster Management Plan

MAP TITLE: Veld Fire Hazard Risk

Sources: KZN Dept of Transport, Demarcation Board, Department of Rural Development and Land Reform, Cooperative Governance and Traditional Affairs

Coordinate System: GCS WGS 1984  
Datum: WGS 1984, Units: Metre

0 3 6 9 12 Kilometers

P.O. Box 47687, Greyville, 4023  
Cell: 072 435 6585, 079 286 8133  
Email: ceekwenza@gmail.com

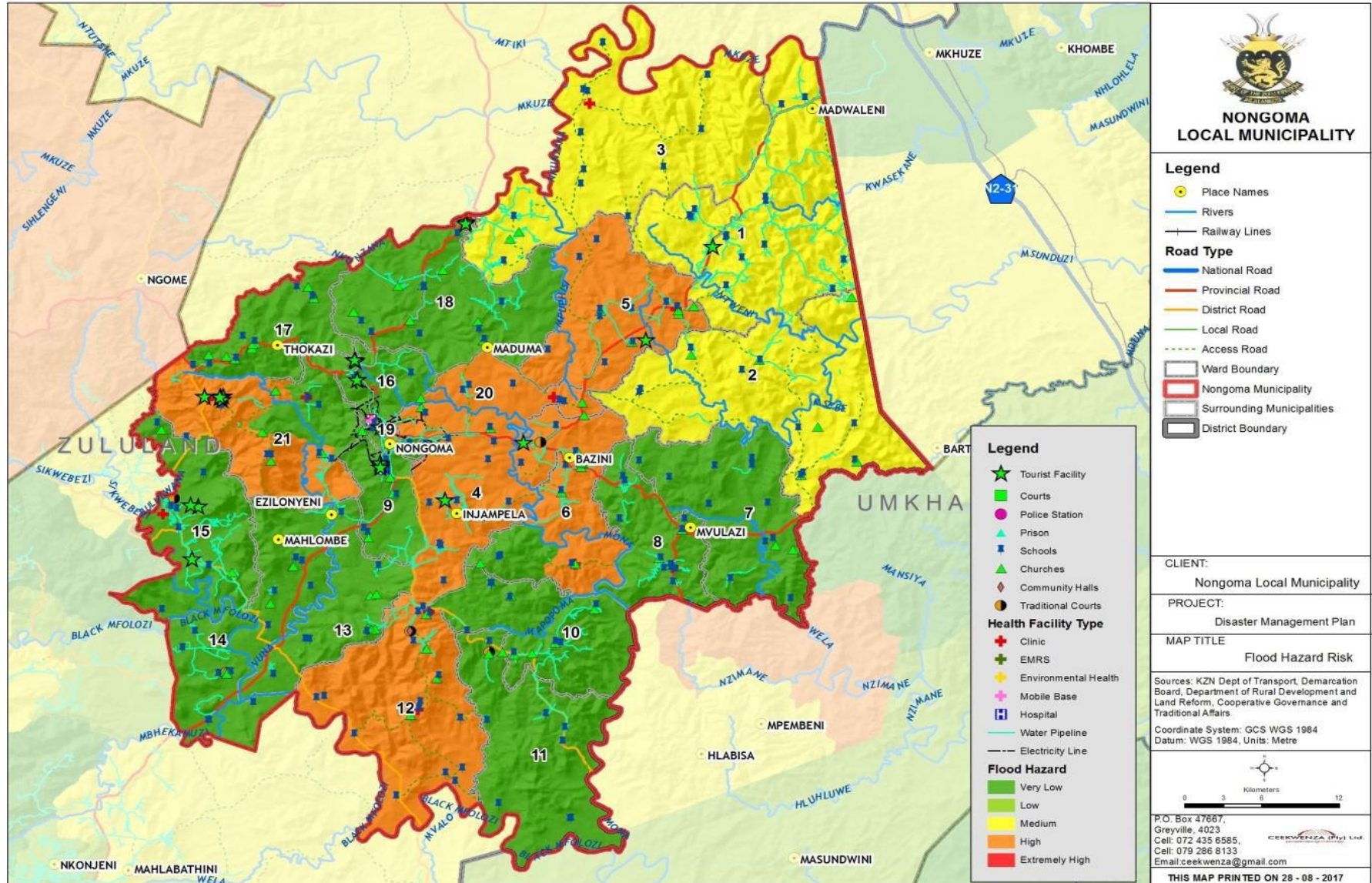
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### 3.3.7.8. High priority disaster risks

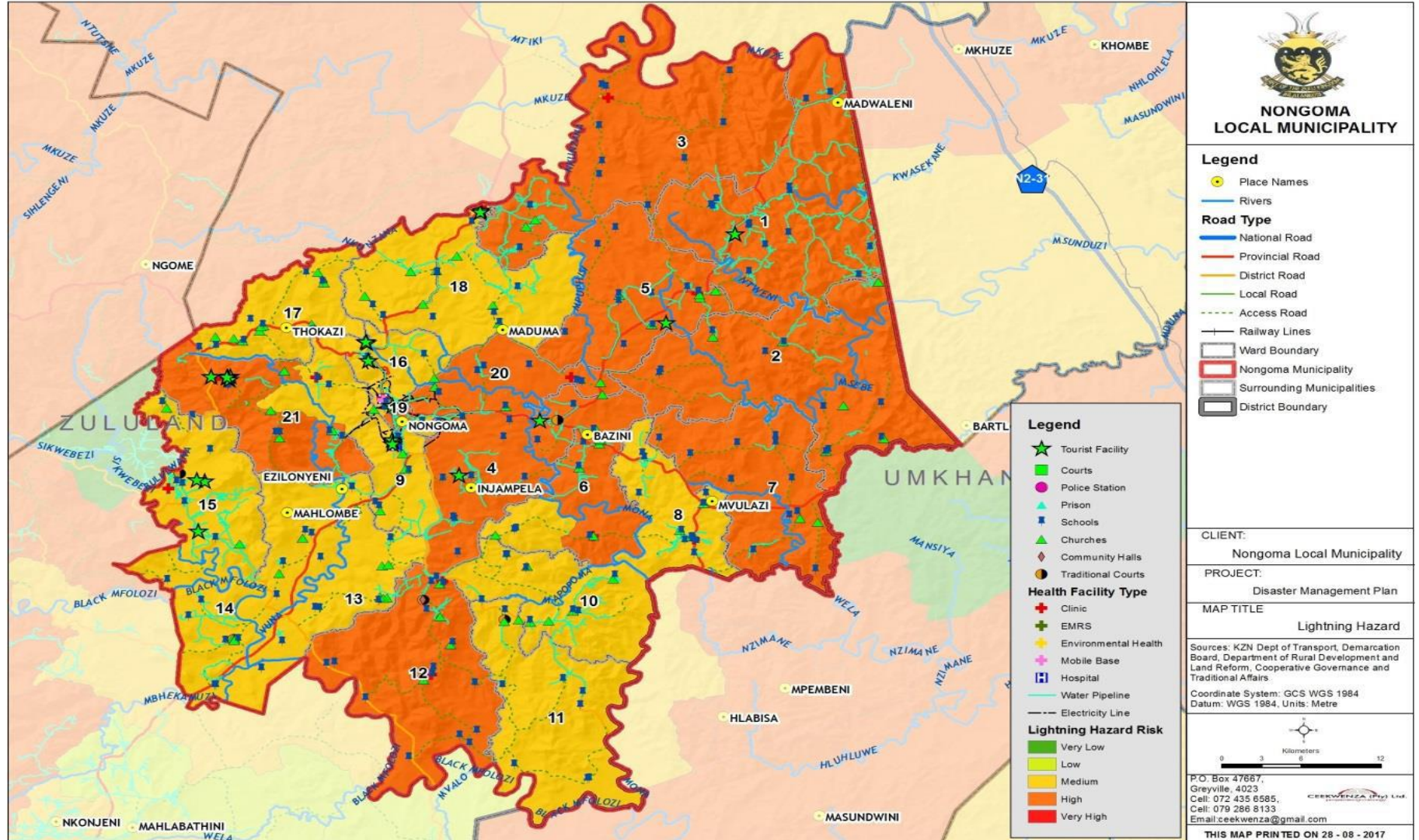
The high priority disaster risks for the municipality were identified as:

HIGH PRIORITY DISASTER RISKS	
Drought	<ul style="list-style-type: none"> <li>▪ The Province of Kwa-Zulu Natal, which comprises of districts and local municipalities including Zululand and Nongoma, like many parts of the country, is prone to drought. The South African Weather Services (SAWS) predicted early in 2011 that climate change, especially intense heat-wave called “El-Nino” could possibly strike South Africa in less than three years. It came as no surprise as reports of dams around the province became dry.</li> <li>▪ In particular, a drought occurs when there is a deficiency in rainfall or other forms of precipitation for an extended period of time. This affects run-off, soil moisture levels, dam levels, food production and ultimately the ability to supply portable water and to maintain the natural ecology of a particular area.</li> <li>▪ The effects of drought may be grouped into: social, (conflict between water users, inequality in the distribution of drought and relief assistance) environmental (effects of water quality, soil erosion, damage to animal and plants species) and economical (loss of crop production, income loss to farmers, revenue losses to government, decline in employment)</li> </ul>
Strong Winds	<ul style="list-style-type: none"> <li>▪ Nongoma municipal area is vulnerable to lightning and strong winds. Severe storms can cause damage and disruption, especially to areas where a large percentage of community members make use of informal housing.</li> <li>▪ The municipal area is vulnerable to heavy rain fall in the summer season.</li> </ul>
Lightning	
Heavy rains	
Structural Fires	Nongoma municipal area is vulnerable to structural fires and veld fires.
Veld Fires	

Map 21: Flood Hazard Risk in Nongoma LM, NLM Disaster Management Plan



Map 22: Areas prone to Lightning in Nongoma LM, NLM Disaster Management Plan



### 3.3.7.9. Incorporation of disaster risk reduction planning into IDP

The Municipal Disaster Management and Fire & Rescue Services must ensure that disaster management and fire & rescue sector plan is submitted and aligned to the Municipal IDP requirements for incorporation into the Municipal's IDP and Service Delivery Budget Implementation Plan (SDBIP). The disaster management and fire & rescue sector plan, like all other sector plans must be reviewed annually and informed by updated risk and hazard assessment which must be conducted at a local level.

### 3.3.7.10. Implementation and monitoring of disaster risk reduction programmes and initiatives

The Municipality must ensure that the disaster risk reduction programmes, projects and initiatives are implemented. Measurable reductions in small-, medium- and large-scale disaster losses are recorded. A measurable reduction in social relief in disaster-prone economically vulnerable communities is also recorded.

### 3.3.7.11. Key performance area for Response and recovery

#### Objective:

To ensure effective and appropriate disaster response and recovery by:

- implementing a uniform approach to the dissemination of early warnings;
- averting or reducing the potential impact in respect of personal injury, health, loss of life, property, infrastructure, environment and government services;
- implementing immediate integrated and appropriate response and relief measures when significant events or disasters occur or are threatening to occur; and
- Implementing all rehabilitation and reconstruction strategies following a disaster in an integrated and developmental manner.

### 3.3.7.12. DISASTER MANAGEMENT SWOT ANALYSIS

STRENGTH	WEAKNESS
<ul style="list-style-type: none"><li>– Disaster Management Advisory Forum is in place</li><li>– Reviewed Disaster Sector Plan</li><li>– Disaster Management Awareness Campaigns conducted quarterly</li><li>– Fire drills conducted quarterly as well.</li><li>– Seven dedicated personal and two skid unit for firefighting and incident assessment</li><li>– Trained fire and disaster experts</li></ul>	<ul style="list-style-type: none"><li>– Lack of resources</li><li>– Lack of staff and equipment</li><li>– Lack of Emergency / Disaster Management Centre</li><li>– Insufficient funds allocated to Disaster Management Section.</li></ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"><li>– Construction of Disaster Management Centre</li><li>– Working on fire.</li></ul>	<ul style="list-style-type: none"><li>– The settlement of communities in disaster high risk lead to chronic disaster vulnerability threats that range from floods to repeated informal settlement fires.</li><li>– Unexpected weather changes</li><li>– Drowning of community members</li><li>– Structural and veld fires</li><li>– The Nongoma Municipality is prone to lightning</li></ul>

### 3.3.13. SWOT ANALYSIS: CROSS-CUTTING ISSUES

SWOT ANALYSIS: CROSS-CUTTING ISSUES	
<b>Strengths</b> <ul style="list-style-type: none"> <li>• SDF in place with identified areas of economic growth and population densification</li> <li>• Existing Urban development framework (may need update)</li> <li>• Disaster risks map available with disaster management plan</li> <li>• Existing disaster unit, but supposed to be disaster centre.</li> <li>• Well trained staff</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• Changing climatic conditions</li> <li>• High poverty and unemployment levels</li> <li>• Overdependence on Government grants</li> <li>• High services backlog</li> <li>• Rural road infrastructure deficits</li> <li>• Environmental degradation</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>• Willingness of Public Works to release Erf 5000</li> <li>• High demand of rental stock</li> <li>• Functional, able to take resolutions</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• Perception that government want to expropriate ITB land</li> <li>• Contestation of authority over Erf 5000</li> <li>• Entrenched culture of impunity/disregard of law</li> <li>• Hilly terrain in town, resulting in limited land for expansion</li> <li>• Scattered settlements, making service delivery costly</li> <li>• Lightning and drought</li> </ul>

### 3.4. MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

Municipal transformation and institutional development relates to a fundamental and significant change in the way the municipalities perform their functions and the calibre of human resources used in the delivery of quality services to the communities served. Service delivery planning has changed from municipal centred approach to community participatory approach. The purpose of conducting an institutional analysis is to ensure that the municipal development strategies take existing institutional capacities into consideration and that institutional shortcomings are addressed.

Nongoma Municipality was established in terms of the Constitution Act, no 108 1996, the Demarcation act 27 of 1998 and Section 12 Notice issued in terms of the Local Government: Municipal Structures Act 117 of 1998. The municipality is organized into political and administrative structures.

#### 3.4.1. POLITICAL STRUCTURE OF THE MUNICIPALITY

Council is headed by the following full time councilors:

- Mayor
- Deputy Mayor
- Speaker

An additional 6 councilors form part of the municipal Executive Committee (EXCO). EXCO members are then tasked with a political oversight role upon which they chair various Portfolio Committees. The portfolio committees for Nongoma municipality are arranged as follows:

Portfolio Committee	Chairperson of the Committee
<b>Corporate Services</b>	Cllr. SA Hlongwane
<b>Finance Department</b>	Cllr M.A. Mncwango
<b>Social &amp; Protection Services</b>	Cllr. A.N Xulu
<b>Planning &amp; Development</b>	Cllr. M.A. Mncwango
<b>Technical Services</b>	Cllr. A.N Ndabandaba

The Council also has the following special programs that are located in the Office of the Mayor:

- Gender
- People living with Disability
- Youth
- HIV/Aids

### 3.4.2. MUNICIPAL POWERS AND FUNCTIONS

The Constitution of the Republic of South Africa Act 108 of 1996, precisely Schedule 4, Part B, read together with Section 152 thereof, and containing the objects of local government, vests the powers and functions of the Municipality. Meanwhile, municipal transformation and institutional development relates to a fundamental and significant change relating to the way the municipalities perform their functions, how resources are deployed and the institutional strategies which are implemented with a view to ensuring optimum results in service delivery to the community. It is envisaged that transformation and institutional development shall be seen to take place when the following is addressed as part of the Municipality's strategic planning and direction.

Municipal powers and functions are articulated in table 4 below. The highlighted functions are those that the Nongoma local municipality is currently performing.

**Table 4: Municipal Powers and Functions**

<b>Zululand District Municipality and Local Municipalities</b>		
DISTRICT MUNICIPAL FUNCTIONS	SHARED FUNCTIONS DISTRICT AND LOCAL	LOCAL MUNICIPAL FUNCTIONS
Potable Water Supply	Fire Fighting services	Air Pollution
Sanitation Services	Local Tourism	Building regulations (National Building Regulations)
Electricity Reticulation	Municipal Airports	Child Care Facilities
Municipal Health Services	Municipal Planning	Pontoons, Ferries, Jetties, Piers and Harbours
Regional Airport	Municipal Public Transport	Storm Water Management System In Built up areas
	Cemeteries, Funeral Parlours and Crematoria	Trading regulations
	Markets	Beaches and Amusement Facilities
	Municipal Abattoirs	Billboards and the Display of advertisement in Public places
	Municipal Roads	Cleansing
	Refuse Removal, Refuse Dumps and Solid Waste	Control of Public Nuisances
		Facilities for the Accommodation, Care and Burial of Animals
		Fencing and Fences
		Licensing of Dogs
		Local amenities
		Local Sport Facilities
		Municipal Parks and Recreation
		Noise Pollution
		Pounds
		Public Places
		Street Trading
		Street Lighting
		Traffic and Parking

### 3.4.3. ADMINISTRATIVE STRUCTURE OF THE MUNICIPALITY

The municipal organizational structure is headed by the municipal manager who is supported by directors. The administration structure consists of the following departments and Units: headed by Municipal Manager.

- Corporate Services
- Office of the Municipal Manager
- Budget & Treasury Office/Finance Department
- Disaster, Protection & Social Services
- Technical Services Department
- Planning and Economic Development

#### Top Management Structure

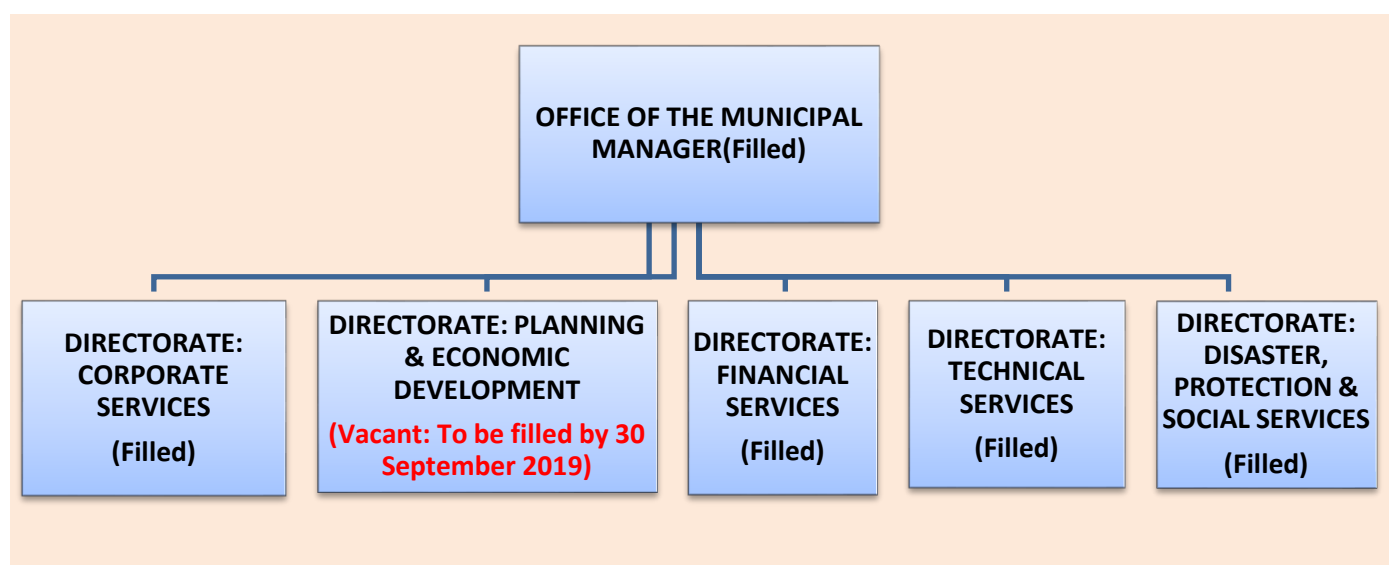


Figure 11: Nongoma Top Management Organogram

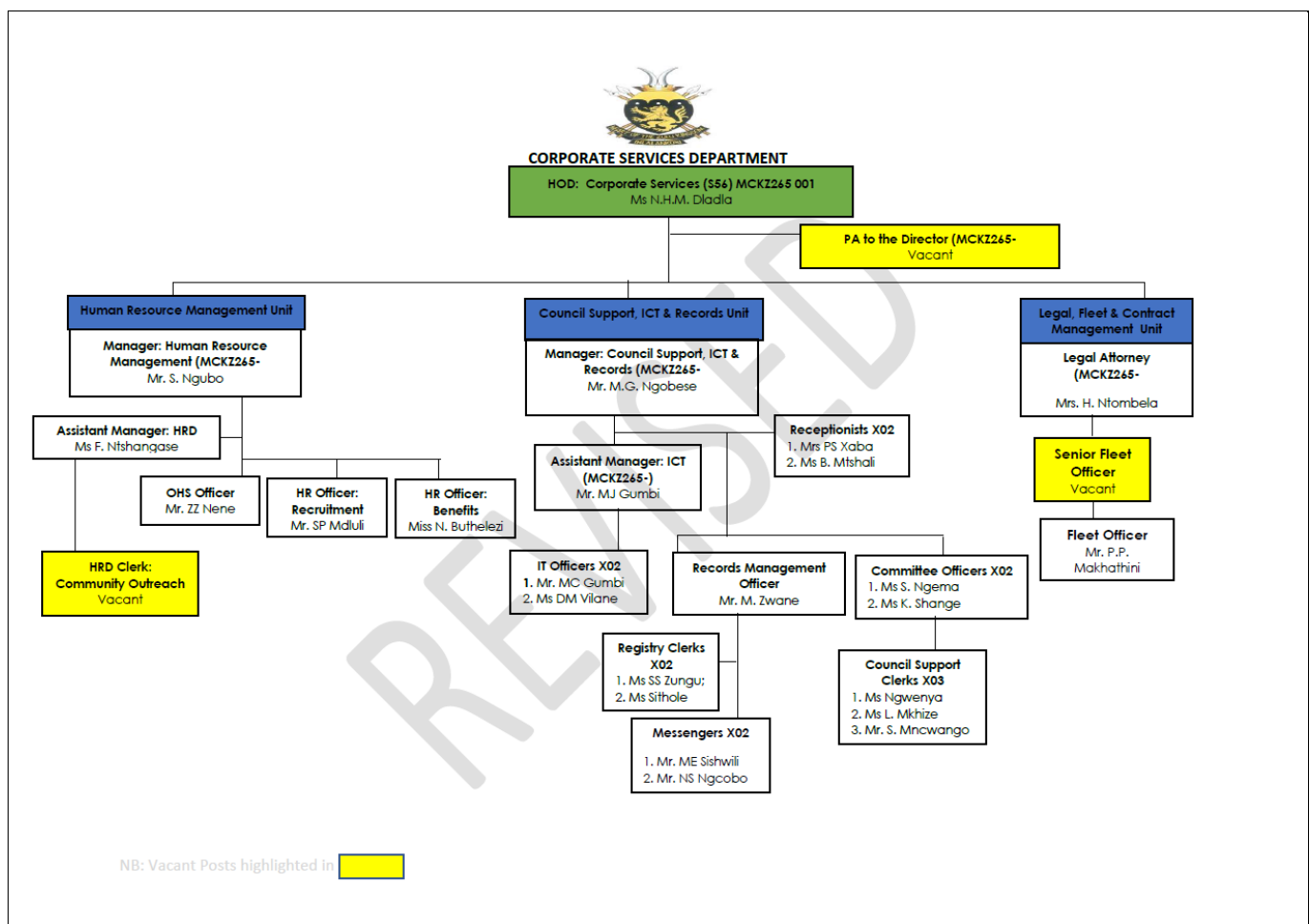
There is one vacancy in the top management, i.e. the Director: Planning and Economic Development. The Municipal Manager Post has been filled and the Municipal Manager would resume his duties after the approval of the 2019/2020 IDP, on the 3<sup>rd</sup> of June 2019.

While the Municipal Manager is male; appointment of female candidate in the outstanding top management position will improve the overall status quo of the number of women in management positions within the municipality, i.e. one (1) against four (4) in top management and five (5) against eleven (11) in middle management positions.

#### 3.4.3.1. Corporate Services

The Corporate Services Department is the portal of entry and exit in the municipality. It provide support to all the departments within the municipality in the sense that it drives the organogram development, creation of posts and review, champion the recruitment process, conduct induction to new recruits, advise on employee placement, drives skills development programmes so that an employee is able to perform to his/her level best, provide advice to management on disciplinary processes, administer employee benefits and when all is done, issue an instruction to Finance to terminate an employee from the system.

Figure 12: Corporate Services Department Structure



The functions under Corporate Services are as follows:

ASPECTS	FUNCTIONS
<b>Human Resources Management</b>	<ul style="list-style-type: none"> <li>- Recruitment, induction, placement;</li> <li>- Skills Development and capacity building both internal and external;</li> <li>- Cllrs and Employee benefits administration;</li> <li>- Leave administration;</li> <li>- Labour relations;</li> <li>- Employment Equity</li> </ul>
<b>Legal Services</b>	<ul style="list-style-type: none"> <li>- Litigations</li> <li>- Labour issues</li> <li>- Contract Management (drafting)</li> </ul>
<b>Health and Wellness</b>	<ul style="list-style-type: none"> <li>- Occupational Health and Safety</li> <li>- Employee Assistance Programme</li> </ul>
<b>Information Communication Technology</b>	<ul style="list-style-type: none"> <li>- Electronic Records Management</li> <li>- Server Backup</li> <li>- IT Infrastructure Management</li> <li>- IT Support.</li> </ul>
<b>Administration and Auxiliary Services</b>	<ul style="list-style-type: none"> <li>- Records Management</li> <li>- Switchboard</li> </ul>

<b>Policies and Procedures</b>	<ul style="list-style-type: none"> <li>- Policy Administration</li> <li>- Policy Implementation</li> <li>- Legislative Compliance</li> </ul>
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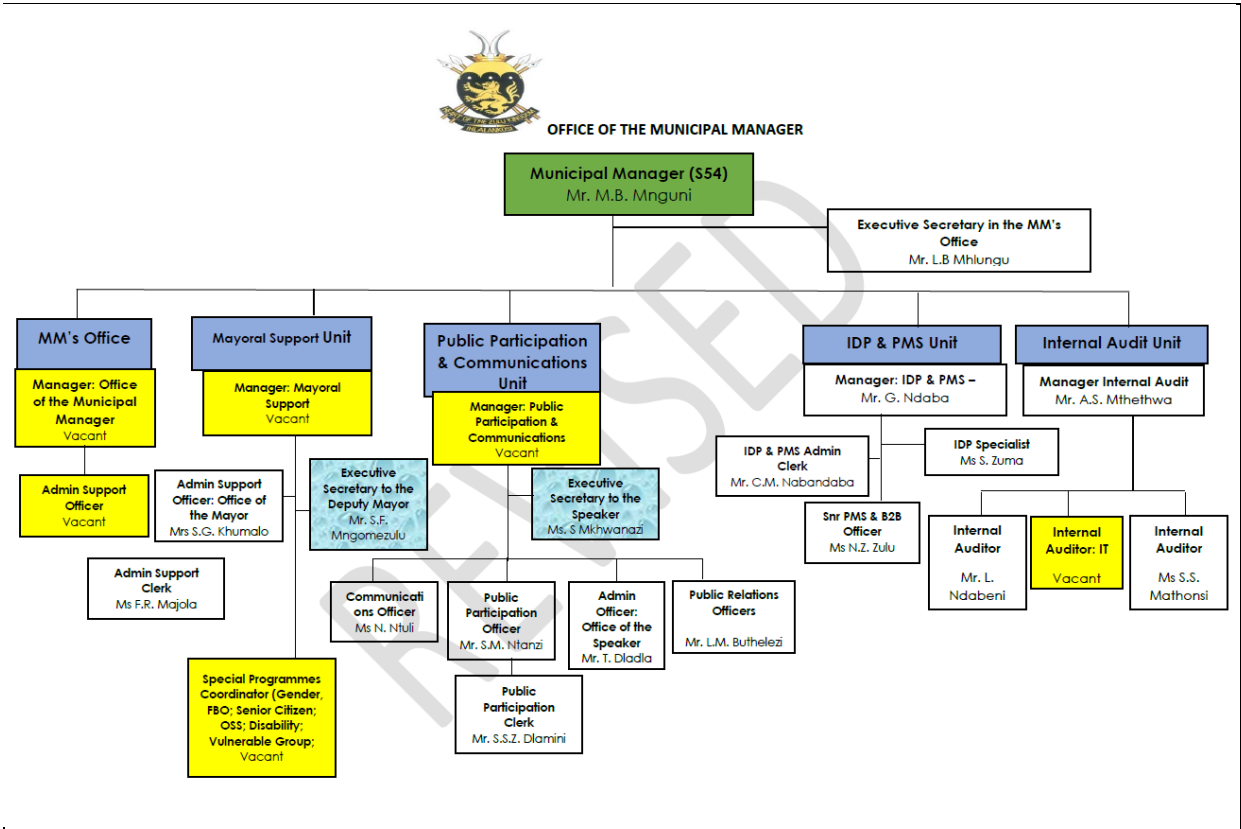
### 3.4.3.2. Office of the Municipal Manager

The Office of the Manager is headed by the accounting officer, i.e. the Municipal Manager. At the time of the adoption of the 2019/2020 IDP, the Municipal Manager had not commenced with his duties.

The Office has 5 Units:

- MM’s Office
- Mayoral Support Unit
- Public Participation & Communications Unit
- IDP & PMS Unit
- Internal Audit Unit

Figure 13: Revised Structure: Office of the Municipal Manager



### 3.4.3.3. Budget & Treasury Office/Finance Department

The BTO Department renders the following services through our Finance Department, to both our internal and external customers:

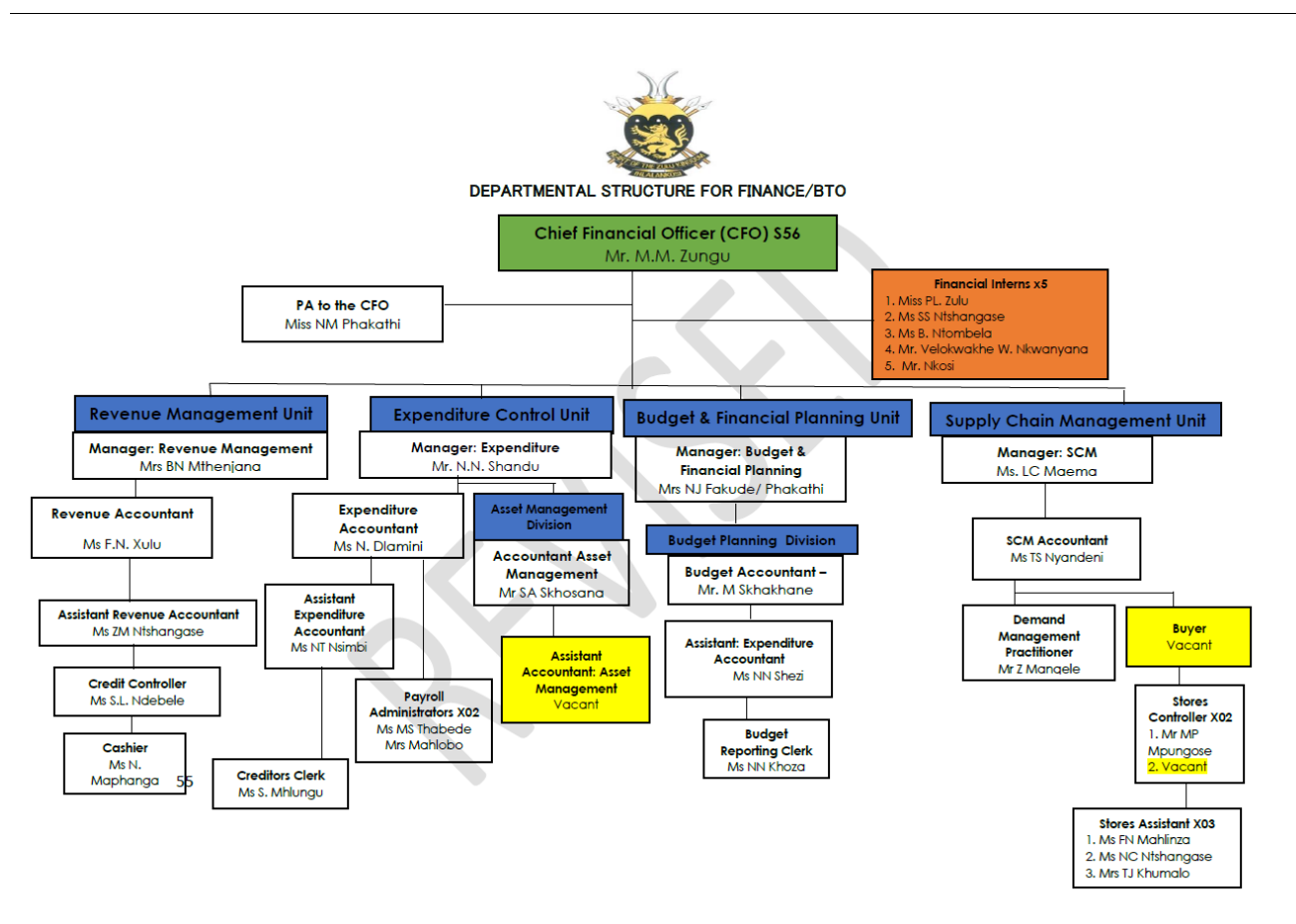
- Municipal expenditures
- Procurement of goods and services
- Revenue collection

The department has the following units:

- Expenditure Management
- Revenue management
- Supply Chain Management
- Assets Management
- Budget and financial reporting

The revised departmental structure is as follows:

Figure 14: Revised Departmental Structure for Finance/BTO



### 3.4.3.4. Disaster, Protection & Social Services

The DP&SS Department renders the following services:

- Traffic and Licensing Services
- By – law enforcement
- Library and Information Services
- Waste Management
- Disaster Management Services
- Public Safety
- Emergency Management

The department has the following units:

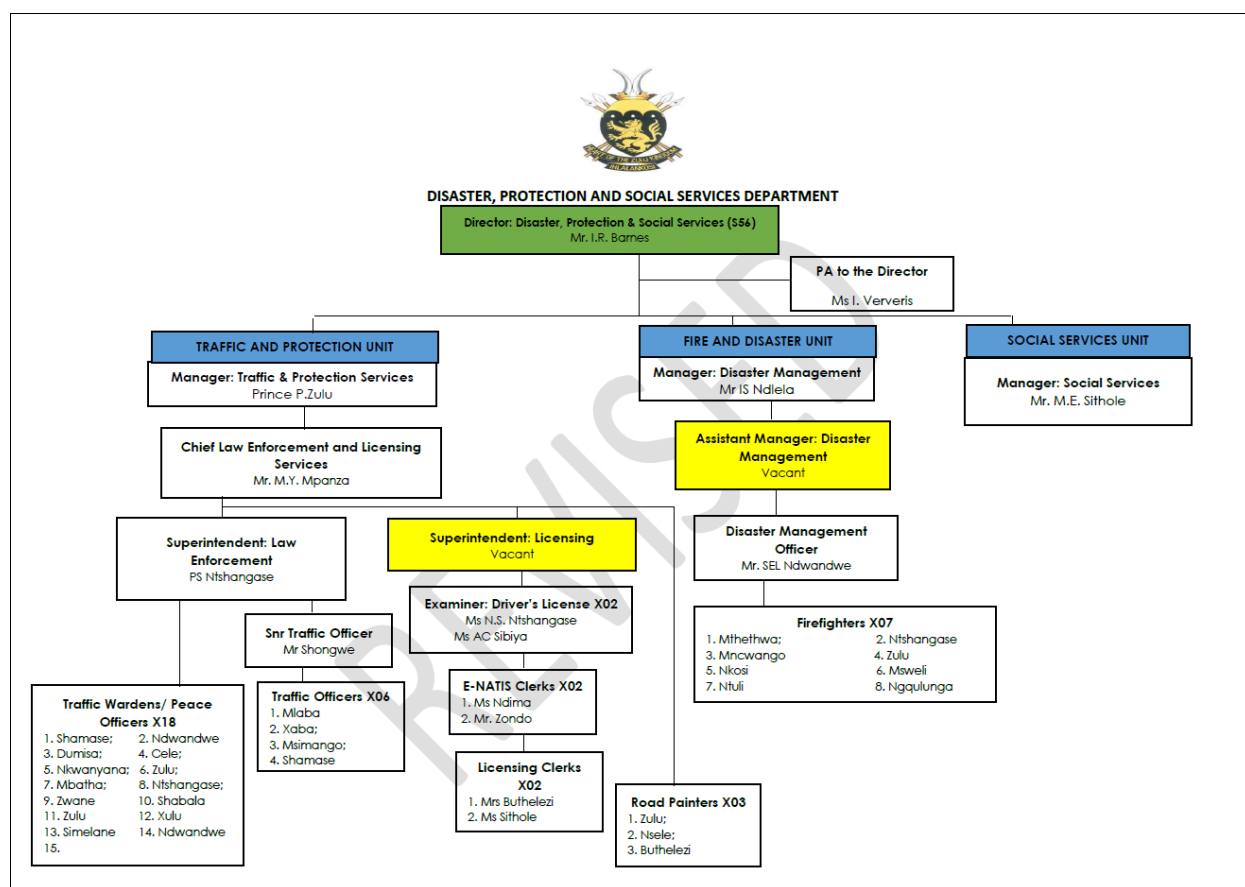
- Traffic & Protection Unit
- Fire & Disaster Management Unit
- Social Services Unit

Within Social Services Unit, there are 5 sub-units, i.e.

- Waste Management Sub-unit
- Library Services Sub-unit
- Municipal Amenities (Halls, Sportsfields & Cemeteries) Management Sub-Units
- Arts & Culture Sub-unit
- Sports & Recreation Sub-unit

The revised departmental structure is as follows:

Figure 15: Departmental Revised Structure: Disaster, Protection & Social Services



### 3.2.3.5. Technical Services Department

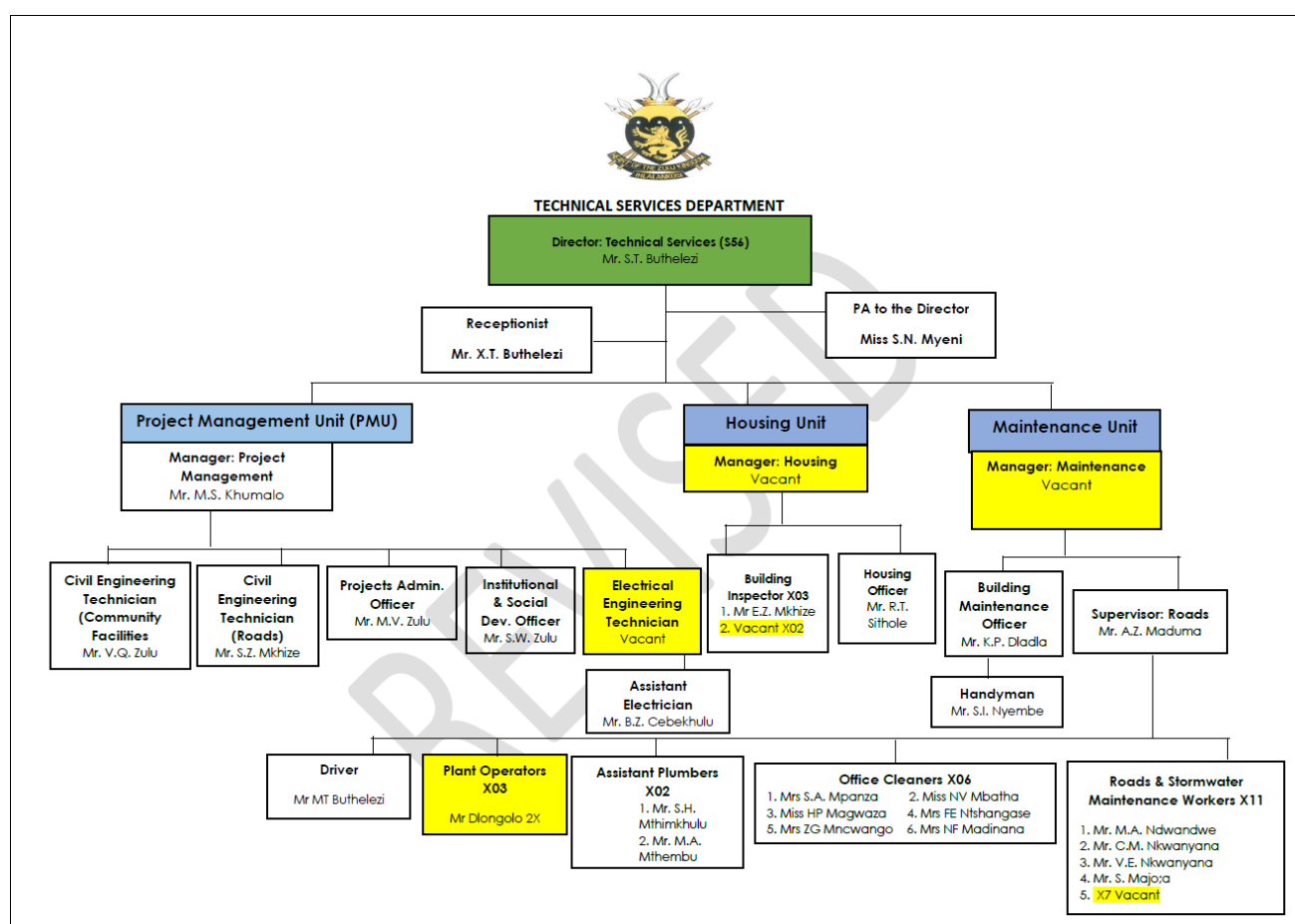
The department renders the following services:

- Project Management
- Roads and Storm Water Drainage Services
- Electricity Infrastructure development and maintenance

Based on the revised organogram, the department has 3 units as depicted below:

- Project Management Unit (PMU)
- Housing Unit
- Maintenance Unit

Figure 16: Revised Technical Services Departmental Structure



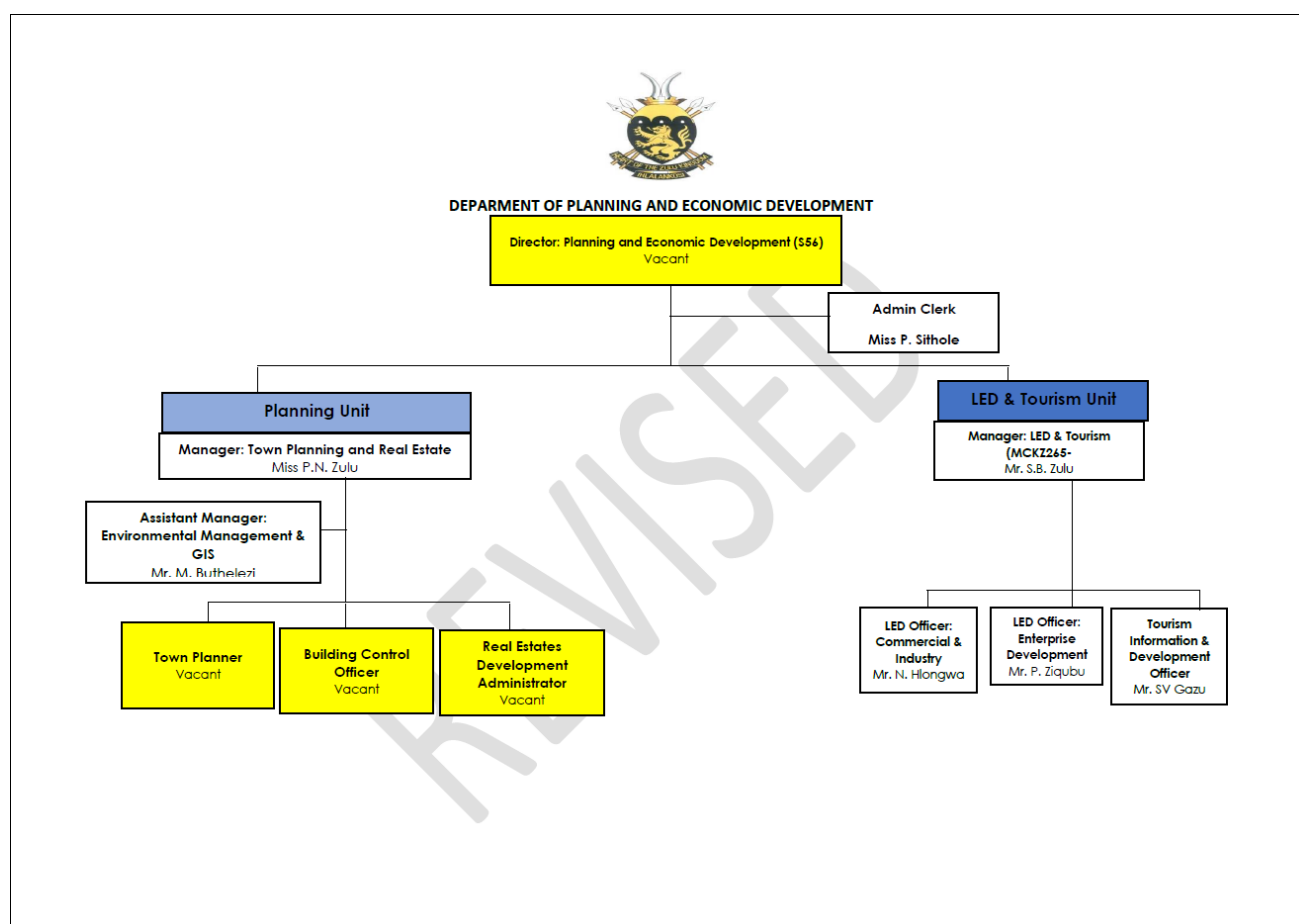
### 3.2.3.6. Planning and Economic Development

The department renders the following services through our Department Planning & Development Services:

- Local Economic Development
- Land Use Planning
- Environmental Service
- It has the follow Units:
- LED & Tourism Unit
- Planning Unit

The post for the Director responsible for the department is vacant and has been advertised. It should be filled by the end of the 1<sup>st</sup> quarter 2019/2010 FY.

Figure 17: Revised Planning & Economic Development Structure



### 3.2.3.7. Vacancy Rate

Based on the above analysis, and looking at the Management (both senior and junior management) level; there are few vacancy. This implies that the institution at its current state is capable of implementing the IDP. Only 1 senior management post (Planning & Economic Development) is vacant, and that post would be filled by the end of the 1<sup>st</sup> quarter. There are 3 vacancies (line Managers) within the Office of the Municipal Manager, which could hinder the implementation of some of the programmes in terms of the SDBIP. Those vacancies will also be addressed in the 1<sup>st</sup> quarter. The last department with vacancies at Management level (Line managers) is Technical services.

### 3.4.4. HUMAN RESOURCES DEVELOPMENT STRATEGY

The Human Resource Strategy is committed in ensuring that the municipality has the necessary human resource capacity that is aligned to the long-term development plans of the Nongoma Local Municipality. The municipality has a Human Resource Strategy that was adopted by the Council on 28 June 2018. The human resource capacity in the municipality is dedicated to meet the municipal obligation set out by the IDP such as addressing the challenges and mandate brought about by both new service delivery outcomes and ongoing transformation of Local Government.

The HR Strategy has detailed the roles and responsibilities of all key municipal departments on how they should perform their duties to achieve the desired goal and objectives of the municipality. It also provides direction on how staff skills should continuously be capacitated. Different Human resource Plans are in place to ensure that the Human Resource Strategy is implemented accordingly namely the Employment Equity Plan, Work Skills Plan, Recruitment and selection Policy etc.

### 3.4.5. EMPLOYMENT EQUITY PLAN

In accordance with the Employment Equity Act (55 of 1998) the municipality has developed and implemented an Employment Equity Plan (EEP). The update Employment Equity plan was adopted by Council on 28 June 2018. The main objective of the Employment Equity Plan is mainly on achieving transformation and equality in the workplace by promoting equal opportunity and fair treatment in the employment through the elimination of unfair discrimination.

The following table summarizes the demographic profile of employees.

Occupational Levels	Male				Female				Foreign Nationals		Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	M	F	
Top Management	2	1	0	0	1	0	0	0	0	0	4
Line Management	12	0	0	0	5	0	0	0	0	0	17
Professionally Qualified	7	0	0	0	6	0	0	0	0	0	9
Skilled	30	0	0	0	26	1	0	0	0	0	57
Semi-skilled	50	1	0	0	42	0	0	0	0	0	93
Unskilled	28	0	0	0	38	0	0	0	0	0	66
GRAND TOTAL	129	2	0	0	118	1	0	0	0	0	250

### 3.4.6. WORKPLACE SKILLS PLAN

The employment equity guidelines form an integral part of planning for training as reflected in the Skills Development Act. The municipality annually reviews its Workplace Skills Development Plan (WSDP). The municipality is registered with the Local Government Sector Education Training Authority (LGSETA) and skills training relating to the municipality's core business are carried out. The municipality developed and adopted the Work Skills Plan that identified skills gap and how they be mitigated. The municipality reviews this policy annually. To this end, the municipality has implemented its Work Skills Plan to respond to the capacity challenges facing the municipality.

The municipality is working tirelessly trying to train and reskilling both its politicians and the staff in the areas where they need improvement to effectively and efficiently deliver services to the community.

Most of the councillors have been undergoing through training on management, leaderships, etc. The municipal employees have continuously attended trainings that which are meant to improve their skills in their work places. A detailed Work Skills Plan is available and annexed in the IDP. However limitation of resources makes it difficult to implement the Workplace Skills Plan hence there is a very high demand of the skills development for implement the Workplace Skills Plan hence there is a very high demand of the skills development for the Politicians and officials.

As per requirement the Municipality is implementing the Employment Equity and Work Skills Plans and all reports are being submitted to the Department of Labour.

The following highlights the implementation of the Workplace skills plan in the 2018/2019 financial year:

<b>Skills</b>	<b>Targeted beneficiaries</b>	<b>Duration</b>	<b>No. of Beneficiaries</b>
1.Plumbing Learnership (NQF Lev 4)	Othandweni Upliftment Centre	12 Months	16
2. Community House Builder ( NQF 3)	Othandweni Upliftment Centre	12 Months	<b>20</b>
3. Building & Civil Learnership (NQF 3)	Mthashana TVET College	12 Months	20
4. Wholesale Retail Learnership (NQF	Mthashana TVET College	12 Months	20
5. Food Preparation	Mthashana TVET College	3 months	60
6. Food Preparation	Mthashana TVET College	3 months	20
6. Building & Civil-Tiling	Zama Training	3 months	24
7. Building & Civil-Painting	NL Nkosi Training	3 months	22
8. Environment Education & Training Development Programme ( NQF 5)	DELTA Environmental Centre	3 months	20

### 3.4.7. RECRUITMENT, SELECTION AND RETENTION STRATEGY

The municipality has developed a Recruitment and Selection Policy and annually reviews the policy adopted on 28 June 2018. The purpose of this policy framework is to give guidelines on the recruitment and selection of existing and new employees to vacant positions on the approved establishment of the Nongoma Local Municipality. The Municipality has planned to develop to develop the retention policy on the 2018/2019 financial year.

### 3.4.8. List of HR Policies

POLICY NO	POLICY DESCRIPTION	In place (Yes/ No)
	Working Days and Hours of Work Policy	No
	Overtime Policy	Yes
	Benefit and Allowances Policy	No
	Acting Allowance Policy	We refer to SALGBC Collective Agreement
	Cellular Telephones Policy	Yes
	Transport Allowance and Subsidy Scheme	Yes (Combined with S & T Policy)
	Remuneration Policy	Yes
	Policy on Long Term Service Allowance	We refer to SALGBC Collective Agreement
	Salary Increment and Acting Allowance Policy	Based on SALGBC Circular
	Subsistence and Travelling Policy	Yes (Combined with Transport Allowance Policy)
	Leave of Absence Policy	Yes
	Health and Safety Policy	Yes
	Employee Assistance Programme	No
	HIV/AIDS Policy	No
	Training Policy	No
	Internship Policy	No
	Employment Relations Policy	No
	Incapacity Code and Procedures	No
	Sexual Harassment Policy	No
	Racial and Ethnic Harassment Policy	No
	Employee Studies Assistance Policy	No
	Termination of Employment Policy	As per SALGBC Conditions of Service
	Recruitment and Selection Policy	Yes
	Staff Retention Policy	No
	Promotion Policy	Draft
	Human Resource Management	No
	Relocation Policy	No
	Declaration of Interest Policy	Draft
	Records Management Policy	Draft
	Information Technology Security Policy	Yes
	Use of Internet and Email Policy	No
	Miscellaneous Provisions Policy	No
	Telephone-Private Calls Policy	Draft
	Municipal Housing Scheme & Assistance Policy	No
	Catering Policy	No
	Municipal Motor Vehicle Usage Policy	Draft

### **3.4.9. INFORMATION & COMMUNICATION TECHNOLOGY (ICT) FRAMEWORK**

Nongoma Local Municipality ICT Governance Framework has been developed following SALGA's ICT Governance guidelines which are based on the DPSA Corporate Governance of ICT Policy Framework.

The purpose of this Framework is to institutionalise the Corporate Governance of and Governance of ICT as an integral part of corporate governance within Nongoma Local Municipality (NLM) in a uniform and coordinated manner.

The Framework provides a set of principles and practices with which NLM must comply.

The Corporate Governance of ICT is a continuous function that should be embedded in all operations of NLM, from Executive Authority and Executive Management level to the business and ICT service delivery.

Corporate Governance of ICT is implemented in two different layers:

- Corporate Governance of ICT (this CGICTPF); and
- Governance of ICT (GICTF).

To enable a NLM to implement this CGICTPF, a three-phase approach will be followed:

- Phase 1: Corporate Governance environment will be established in NLM
- Phase 2: NLM will plan and implement business and ICT strategic alignment; and
- Phase 3: NLM will enter into an iterative process to achieve continuous improvement of Corporate Governance of and Governance of ICT.

ICT has become an integral part of doing business today, as it is fundamental to the support, sustainability and growth of NLM. ICT cuts across all aspects, components and processes in business and is therefore not only an operational enabler for NLM, but an important strategic asset which can be leveraged to create opportunities and to gain competitive advantage.

As well as being a strategic asset to NLM, ICT also presents NLM with significant risks. The strategic asset of ICT and its related risks and constraints should be well governed and controlled to ensure that ICT supports the strategic objectives of the organisation.

By adopting an ICT Governance Framework, Mayor and Municipal Manager are in compliance with King III Code of Governance which stipulates that prudent and reasonable steps must be taken with respect to ICT governance.

Adopting a strategic approach to ICT Governance extends the horizon of thinking beyond the boundary of "are we compliant, yes or no?" towards performance management, guiding optimal allocation of a municipality's finite resources and providing the means to capture value back from the investment.

#### **1. BENEFITS OF CORPORATE GOVERNANCE OF ICT**

When the Corporate Governance of ICT in NLM is effectively implemented and maintained, the following benefits are realised:

- (a) Improved achievement of Public Service-wide and NLM strategic goals;
- (b) Improved effective public service delivery through ICT-enabled access to government information and services;
- (c) Improved ICT enablement of business;
- (d) Improved delivery of ICT service quality;
- (e) Improved stakeholder communication;

- (f) Continuous improvement of business and ICT alignment;
- (g) Improved trust between ICT, the business and citizens;
- (h) Lower costs;
- (i) Increased alignment of investment towards strategic goals;
- (j) Improved return on ICT-enabled investment;
- (k) ICT risks managed in line with the priorities and appetite of NLM;
- (l) Appropriate security measures to protect NLM and employee information;
- (m) Improved management of business-related ICT projects;
- (n) Improved management of information as it is managed on the same level as other resources such as people, finance and material at NLM;
- (o) ICT pro-actively recognises opportunities and guides NLM in timeous adoption of appropriate technology;
- (p) Improved ICT ability to learn and agility to adapt to changing circumstances; and
- (q) ICT executed in line with legislative and regulatory requirements.

## 2. Status on the progress of Implementation of ICT Policy Framework

The municipality has adopted the following ICT policies in line with implementation of the ICT Policy Framework:

- IT & Security Policy
- Business Continuity Plan
- IT Disaster recovery Plan
- Patch Management Policy
- Change Management Policy
- ICT Account Management Policy
- ICT Backup procedure policy
- Draft ITC Steering Committee Charter

### 3.4.10. SWOT ANALYSIS MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- HR Policies in place.</li> <li>- Local Labour Forum Established.</li> <li>- Employment Equity Committee Established.</li> <li>- OHS Committee Established.</li> <li>- Draft HR Strategy in place.</li> <li>- The Organogram has been approved by Council for the current FY.</li> <li>- Critical positions field, e.g. Senior managers filled.</li> <li>- Disciplinary Collective agreement in place.</li> </ul>	<ul style="list-style-type: none"> <li>- HR Policies not reviewed.</li> <li>- Poor Implementation of EEA.</li> <li>- OHS Committee not functional</li> <li>- No office space for both staff &amp; councillors.</li> <li>- Poor record keeping due to lack of office space and decentralization.</li> <li>- None existence of Municipal Code.</li> <li>- No budget allocated for community skills development projects;</li> <li>- Lack of sufficient working tools</li> <li>- Overstaffed</li> <li>- Compromised safety in the workplace</li> <li>- Lack of well-defined organizational culture</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>- Set aside budget for implementation of</li> </ul>	<ul style="list-style-type: none"> <li>- Loss of information due to poor or decentralized record</li> </ul>

Learnerships. - Cascading of PMS. - To generate own revenue; - To regain public trust.	keeping possible loss of cases. - Loss of institutional memory - Poor performance
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## 3.5. BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

### 3.5.1. WATER AND SANITATION

Water and Sanitation is provided to the Nongoma Local Municipality by the Zululand District Municipality as the area's Water Services Authority. Zululand District Municipality is also responsible for water quality testing. Nongoma Local Municipality also has a role in ensuring that the implementation of the WSDP is prepared and implemented by playing a facilitation role, by making sure that the Municipality is always represented on all engagements concerning water.

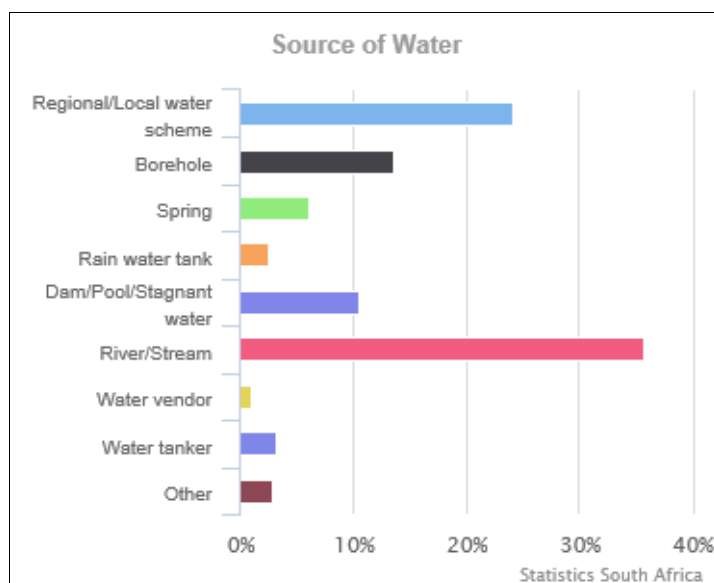
#### 1. WATER SERVICES LEVELS

Majority of communities at Nongoma do not have access to clean water. While around 25% have access to piped water as supplied from the regional/local water schemes; only 9.6% have piped water inside dwellings. These households are mainly around Nongoma town which is the main centre of the municipality. Water supply to the town of Nongoma is through Vuna WTW from the Vuna dam. The Vuna Dam is severely silted up and it is estimated to have lost 75% of its storage capacity. Bulk raw water supply is thus very vulnerable to the seasonal rainfall and on-going high maintenance and repair costs to the plant and the bulk and reticulation network.

About 35% of the households rely on water from the rivers/streams, with less than 10% relying on springs. The quality of water in these rivers/streams and springs is generally poor and is not suitable for human consumption. These statistics therefore suggest that almost half of the Nongoma households risks being infected by waterborne diseases such as cholera. This is due to that in most cases stagnant water become breeding ground for various waterborne diseases.

Water access remains the prevalent obstacle to efficient service delivery this is mostly due to the fact that majority of areas of Nongoma are affected by drought and also the spatial setting of Nongoma.

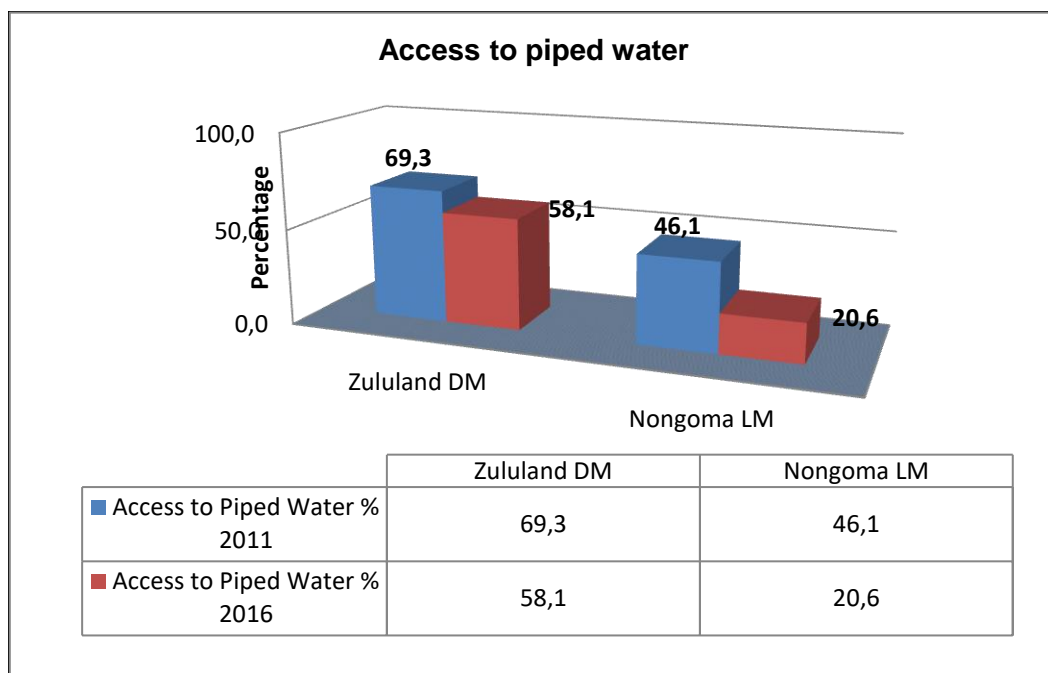
Figure 18: Water Sources within Nongoma LM (StasSa, 2016)



There has been a steady increase and improvement in number of households with piped water inside dwelling. In 2001 the stats sat at 2.6%, and in 2011 it was at 9.6%. However such an improvement becomes tainted when one looks at the fact that most households (35%/rivers & streams, and 10%/springs) have had to endure reduced access to water due to mainly Climate Change related issues such as drought, e.g. drying out of numerous dams and rivers across Nongoma. It is however difficult to explain the sudden and huge drop in percentage number of households with access to piped water, as illustrated through figure 15.

There is still a lot that needs to be done to reduce the water backlog. The below table indicates that there has been a huge decrease on access to water in Nongoma Local Municipality, between the 2011 Census count and the 2016 Community Survey which may be the evidence of Climate change which can be indicated by drought e.g. drying out of numerous dams, and rivers across Nongoma. The ZDM annually reviews its WSDP (Water Services Development Plan) and confirms backlogs as well the programme for the roll-out of water and sanitation investment/infrastructure.

Figure 19: Access to Piped Water (StatSa, 2016)

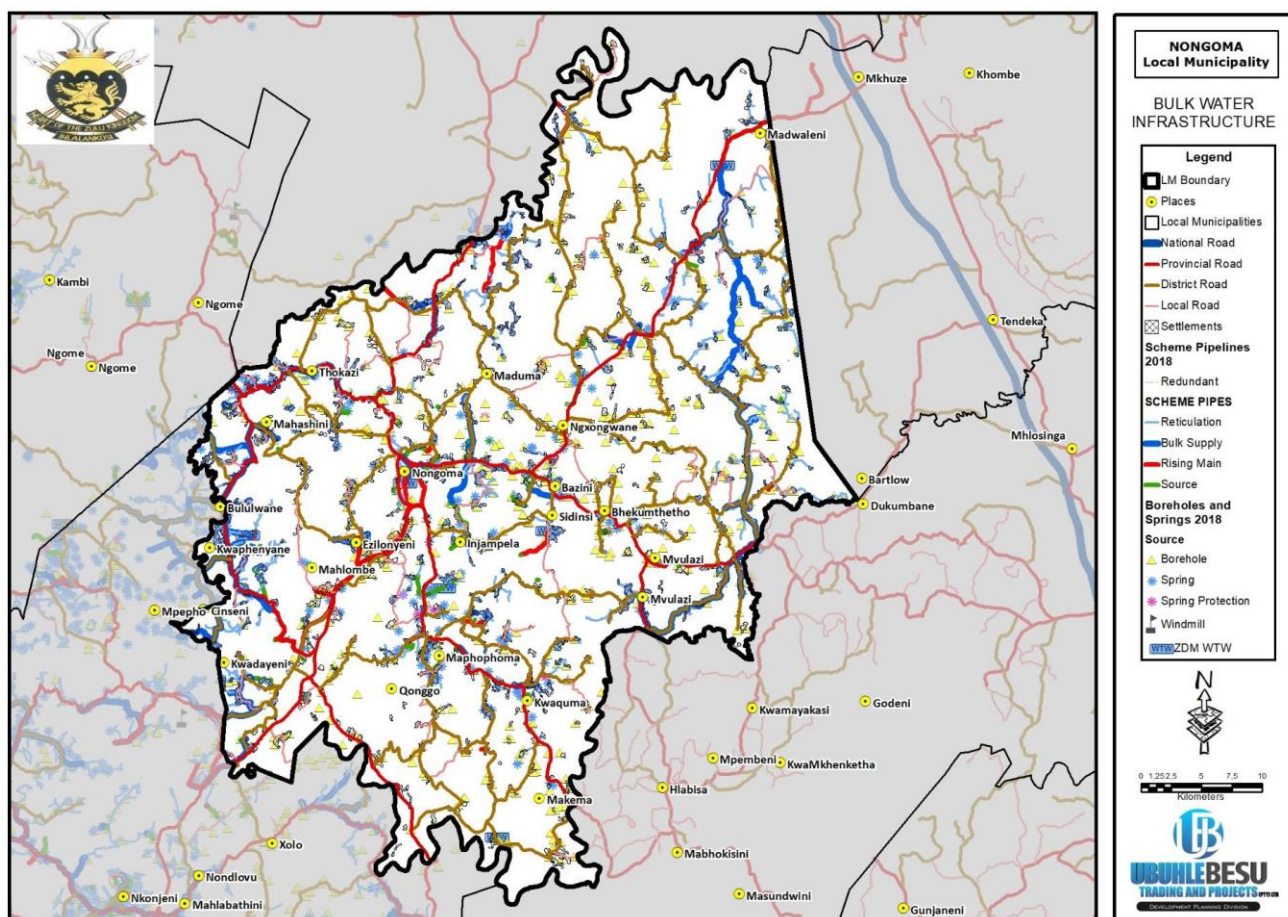


The table below illustrates households at a ward level with no access to water. According to Census 2011, there is a total of 15 508 households that are below the basic level of water services in Nongoma Local Municipality.

Table 5: Water Services Backlog in Nongoma LM (StatsSa, 2011)

Ward	No. of households	Ward	No. of households	Ward	No. of households	Ward	No. of households
1	452	7	1383	13	426	19	2
2	1418	8	913	14	1135	20	667
3	1183	9	190	15	677	21	693
4	927	10	898	16	935		
5	1522	11	913	17	1152		
6	706	12	992	18	1324		
<b>TOTAL</b>				<b>15 508</b>			

Map 23: Bulk water supply in Nongoma municipality, Nongoma LM SDF: Status Quo report, 2019



## 2. DROUGHT RELIEF PROGRAMME

The current drought situation within the ZDM area has deteriorated to such an extent that emergency drought relief had to be implemented. An amount of R37 493 000 was made available in 2015 for drought relief Interventions within ZDM, and a planned 7 880 households were to benefit from this funding allocation. A summary of the interventions within Nongoma municipality can be seen in the next table.

Spring Protection	Water Tankers- Rental (six-month period)	Borehole Drilling Equipping	Refurbish Nonfunctioning Schemes
4			
	1	10	
			None

## 3. SANITATION SERVICES LEVELS

The average household size for Nongoma local municipality is 5.5 with 64.6% of the households living in formal dwellings. While about 9.6% of the households have access to piped water inside dwelling, a mere 4.5% had access to a flush toilet connected to sewerage. Spatially, these above statistics cover the Nongoma town area

While 76.5% households have access to sanitation, i.e. some form of toilet facilities; 1.6% households have access to flush toilets with septic tanks, whereas 9.6 have access to chemical toilets. 29.1% households do not have access to sanitation (any form of toilet facilities). 19.5% have access to Pit toilets with ventilation, which are probably provided as through the implementation and provision of low-cost houses throughout the municipality.

Figure 20: Toilet facilities in Nongoma LM

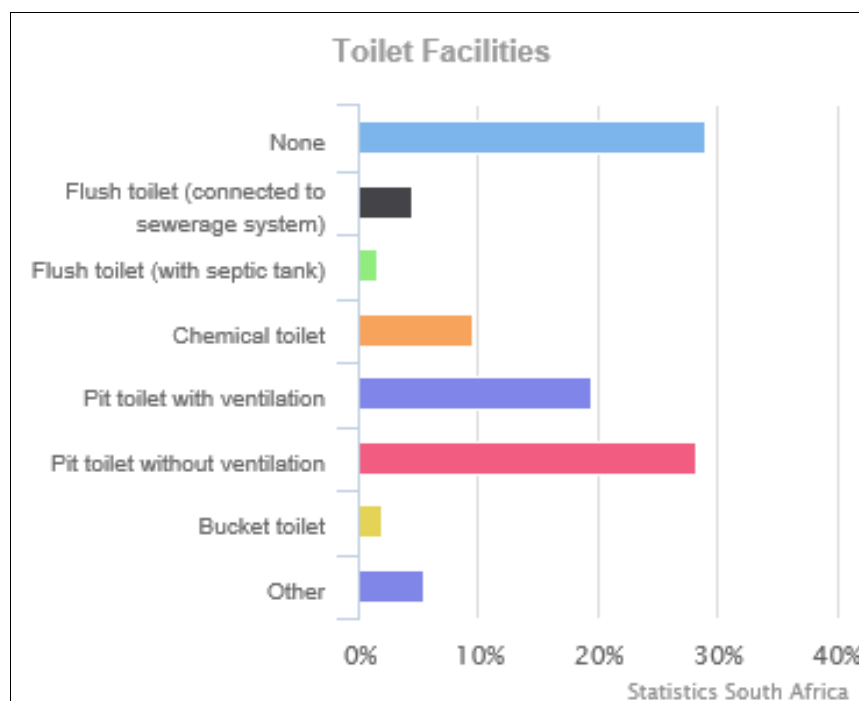
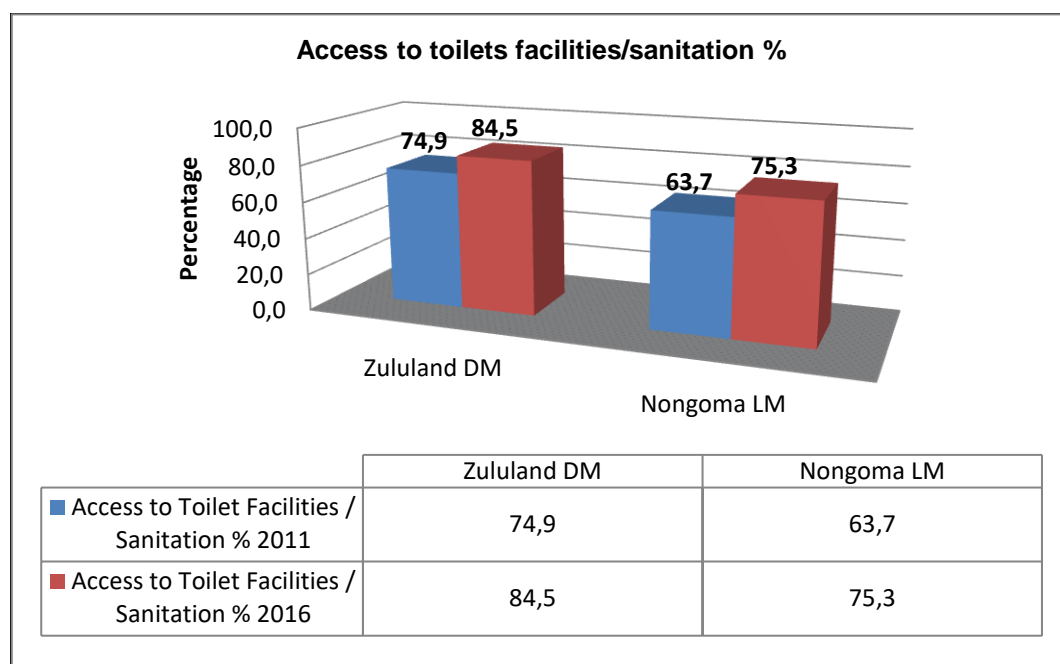


Figure 21: Access to toilet facilities/sanitation (StatsSa, 2016)



Sanitation in the rural areas is being provided in the form of dry-pit VIP toilets and the strategy is to implement these simultaneously with the roll-out of water services. The municipality should also intensify access to sanitation through implementation of low-cost housing projects throughout the municipality.

The table below clearly shows the distribution of access to sanitation facilities across all 21 wards. Wards 9 and 16 have the highest number of households with access to sanitation facilities. This indicates an uneven distribution and concentration on some wards at the expense of others. While population is distributed evenly among most wards, one cannot find an explanation as to the concentration of access to sanitation in Wards 9 and 16 despite them being urban wards. Ward 21 has 89 households with access to sanitation compared to Ward 9 and 16 with 1335 and 1557 households respectively. The population distribution in these wards is also even, with Wards 21 having 10863 people and 1793 households compared to Ward 09 and 16 that have a population of 11816 people and 2686 households and 11469 people and 2554 households respectively.

Table 6 Access to sanitation in Nongoma LM (StatsSa, 2016)

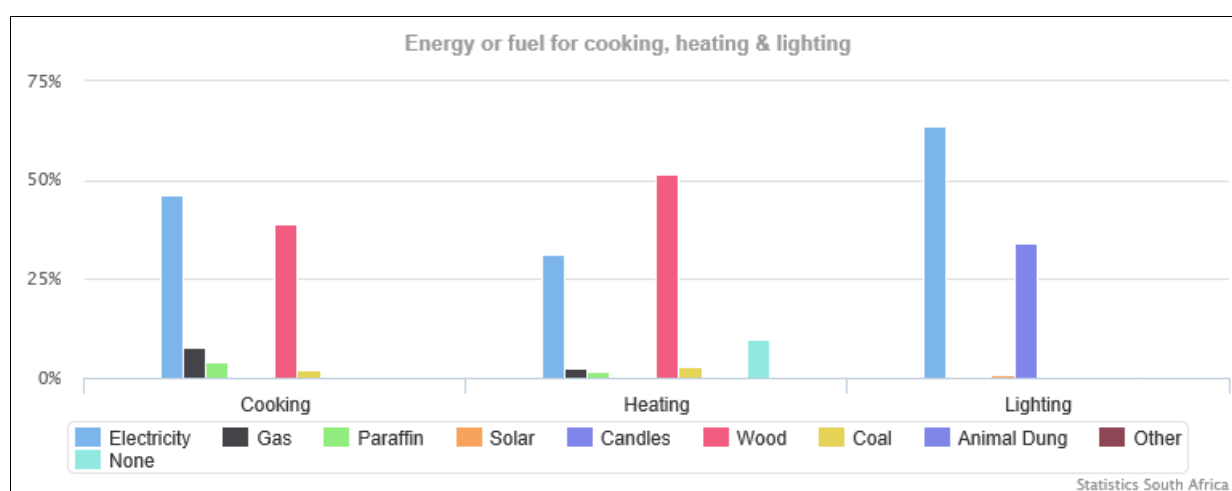
Ward	No. of households with access to sanitation	Ward	No. of households with access to sanitation	Ward	No. of households with access to sanitation	Ward	No. of households with access to sanitation
1	43	7	235	13	145	19	173
2	465	8	876	14	562	20	446
3	145	9	1335	15	122	21	89
4	482	10	99	16	1557		
5	228	11	160	17	319		
6	895	12	159	18	249		
TOTAL				8 784			

### 3.5.2. ENERGY SERVICES LEVELS

Nongoma Local Municipality is not the electricity / energy provider. However, it plays a facilitation role to ensure that Eskom smoothly provides the services to the communities. In the 2018/2019 financial year the municipality received R15 million from the department of energy for electrification of rural areas and connection to the electricity grid. In 2019/2020 FY the municipality will receive a reduced amount of R8 million. According to 2011 statistics; 84.2 households have access to electricity, and it is the main energy source in Nongoma municipality as it is the case with other municipalities. Electricity is mainly used for cooking (46.3%), heating (31.3%) and Lighting (63.6%). In order to reduce the costs associated with electricity usage, most households especially in the rural parts of the municipality use wood for cooking (39.1%) and heating (51.4%). Candles are used for lighting especially on emergency situations when the electricity is down.

In order to assist communities in reducing their reliant on electricity and the cost associated with its usage the municipality should explore climate change adaptation programmes/projects, such as solar water heating and lighting. This programme could be a stand-alone initiative wherein the municipality embark on a roll-out of the project, and/or could be integrated into the implementation of housing projects throughout the municipality.

Table 7: Access to energy or Fuel for cooking, heating & Lighting in Nongoma LM (StatsSa, 2016)



Nongoma local municipality is close to reaching a universal access to electricity. As such the focus should now be and dealing with the outstanding backlog and the infills due to new households.

ESKOM highlighted the following as the municipal electricity challenges:

- Mobilising Resources;
- Integrating IDP with Eskom Plans;
- Lack of Sector Planning from Local Municipality;
- Government Special Programmes;
- Feedback to Local Municipality's DORA Section 23
- Updating of Indigent register

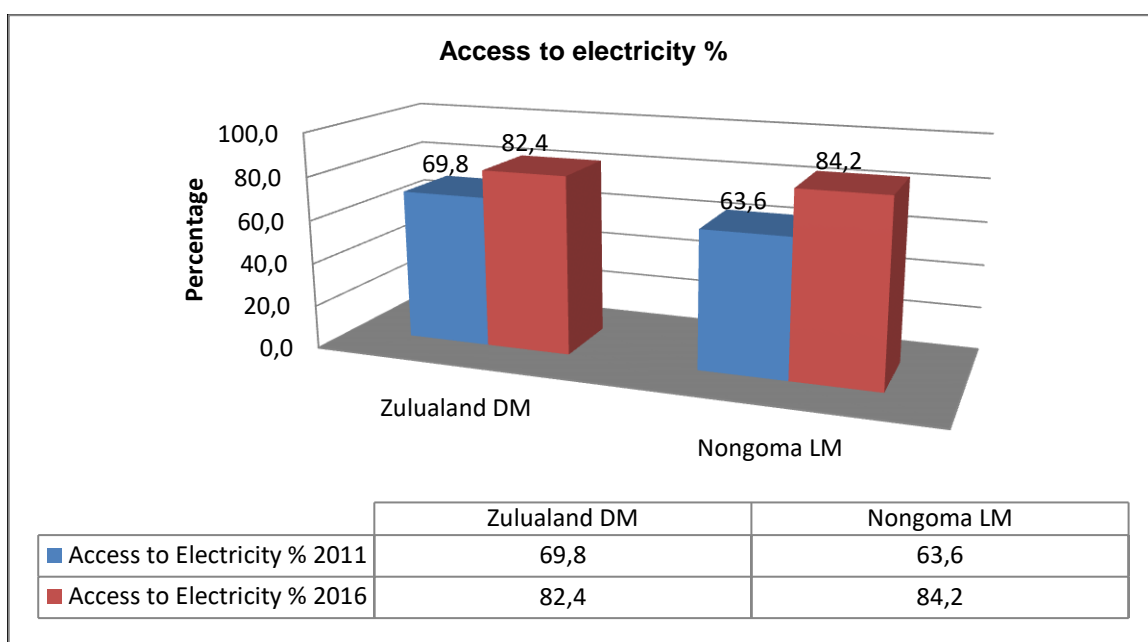
The ZDM is responsible for the preparation of an ESDP. The purpose of an ESDP is to formulate a rational basis for the extension of grid and non- grid electricity service supply to the population of the district within as short a time as possible, within both the national and provincial electrification

guidelines and budget available. Currently the ESDP is being implemented in Nongoma through Integrated National Electrification Programme called schedule 6 (done by the municipality) and Schedule 7 (done through Eskom)

### 3.5.3. ELECTRICIFICATION BACKLOG

The municipality has significantly reduced electricity backlog in its area of jurisdiction. The households in Nongoma Local Municipality have experienced a substantial improvement in the use of electricity as the number of households having access to electricity increased from 31% in 2001 to 64.5% in 2011 and in 2016 it sits at 84.2 %

Table 8: Access to Electricity in Nongoma LM (StatsSa, 2016)



The graphs makes a comparison of household have access to electricity in Nongoma and the district ,the graph shows stats in 2011 36.6% household have access to electricity and in 2016 the household have increased to 84.2 % which is an applaud able increase.

In addressing the current backlog, the Municipality has adopted **Operation Makukhanye** as a strategy to accelerate the delivery of electricity services within its area of jurisdiction in pursuance of achieving universal electricity access before the end of the 2020/21 financial year in addition to realizing the other objectives of our IDP.

Figure 22: Zululand Existing network, Eskom 2019

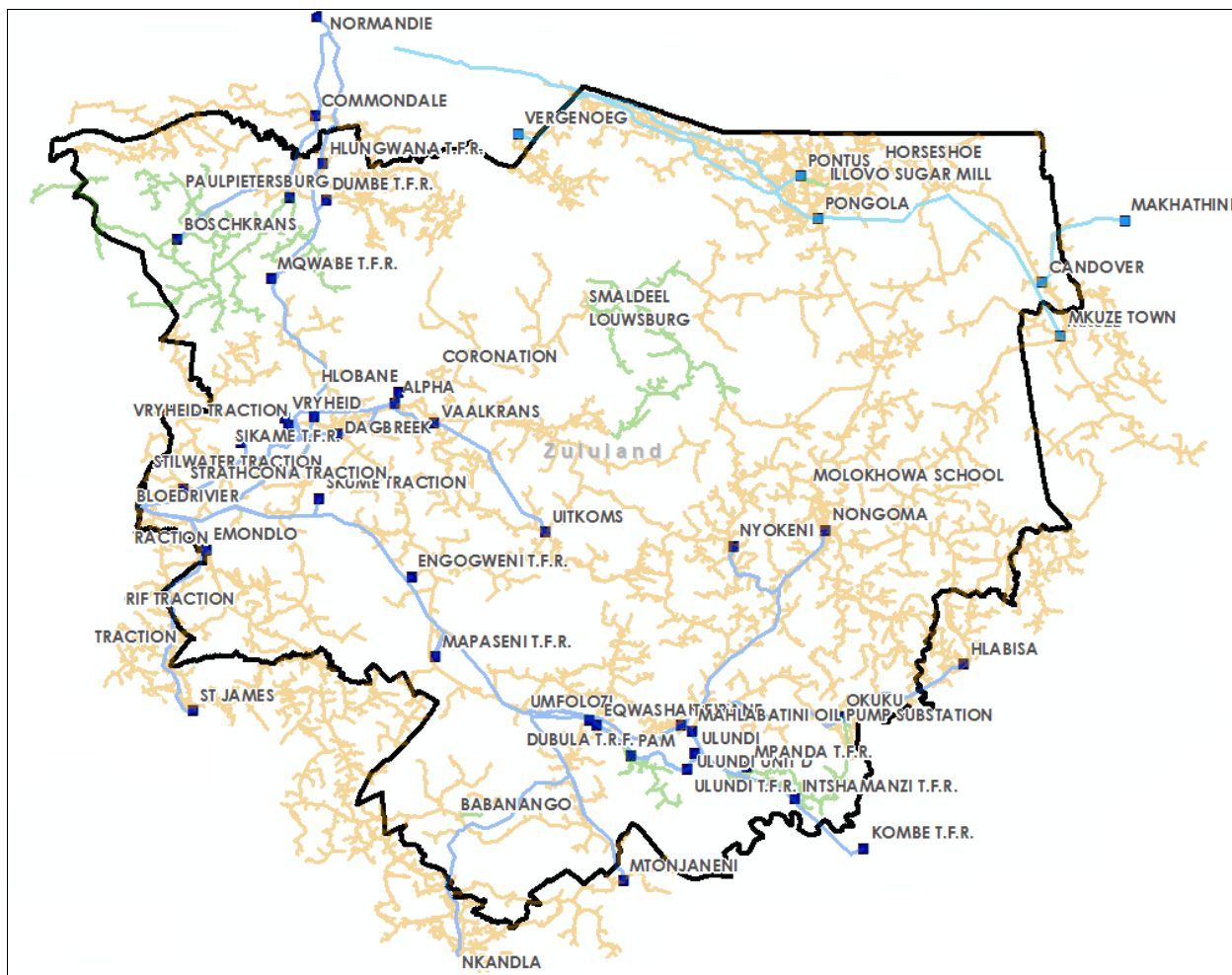
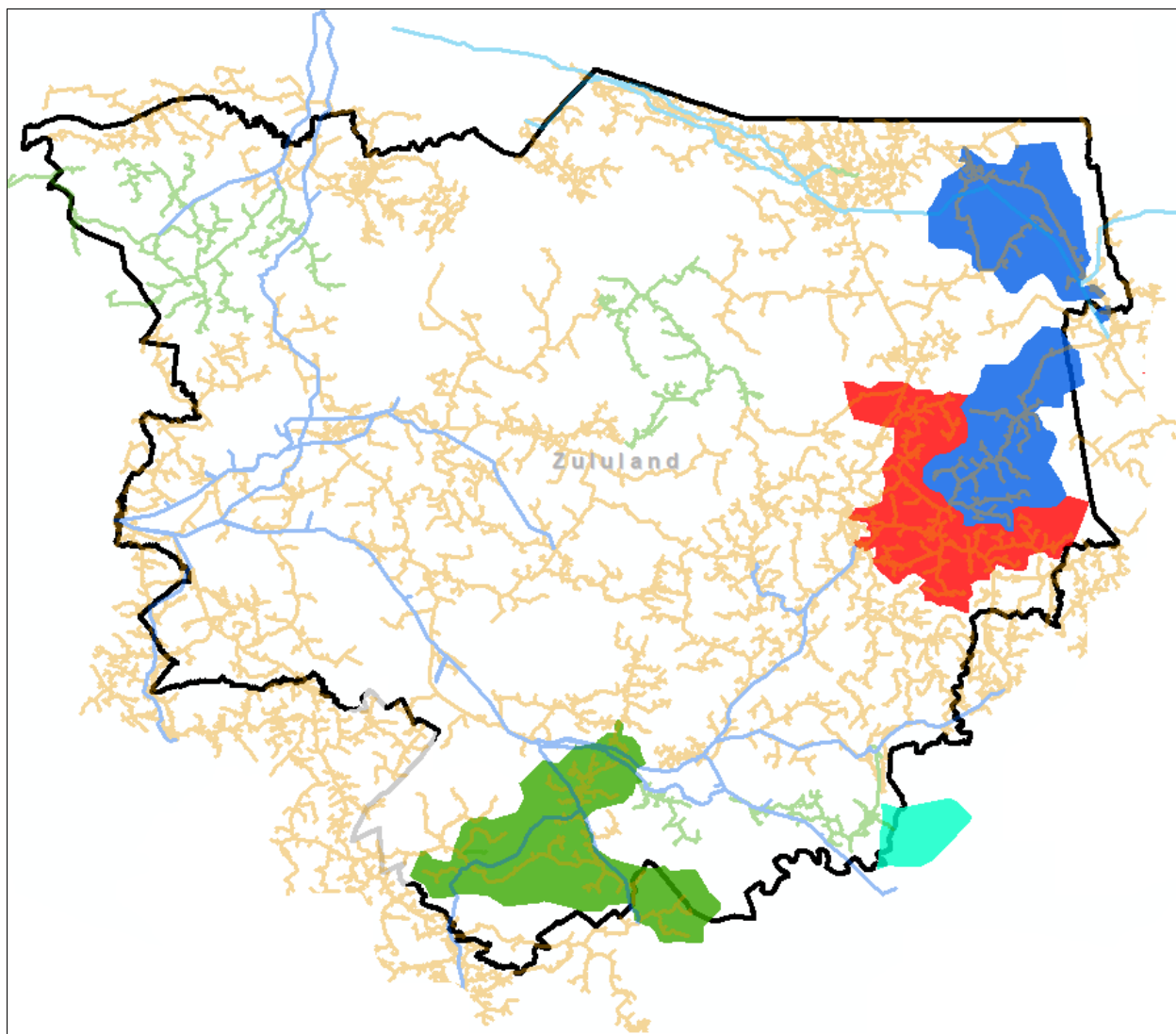
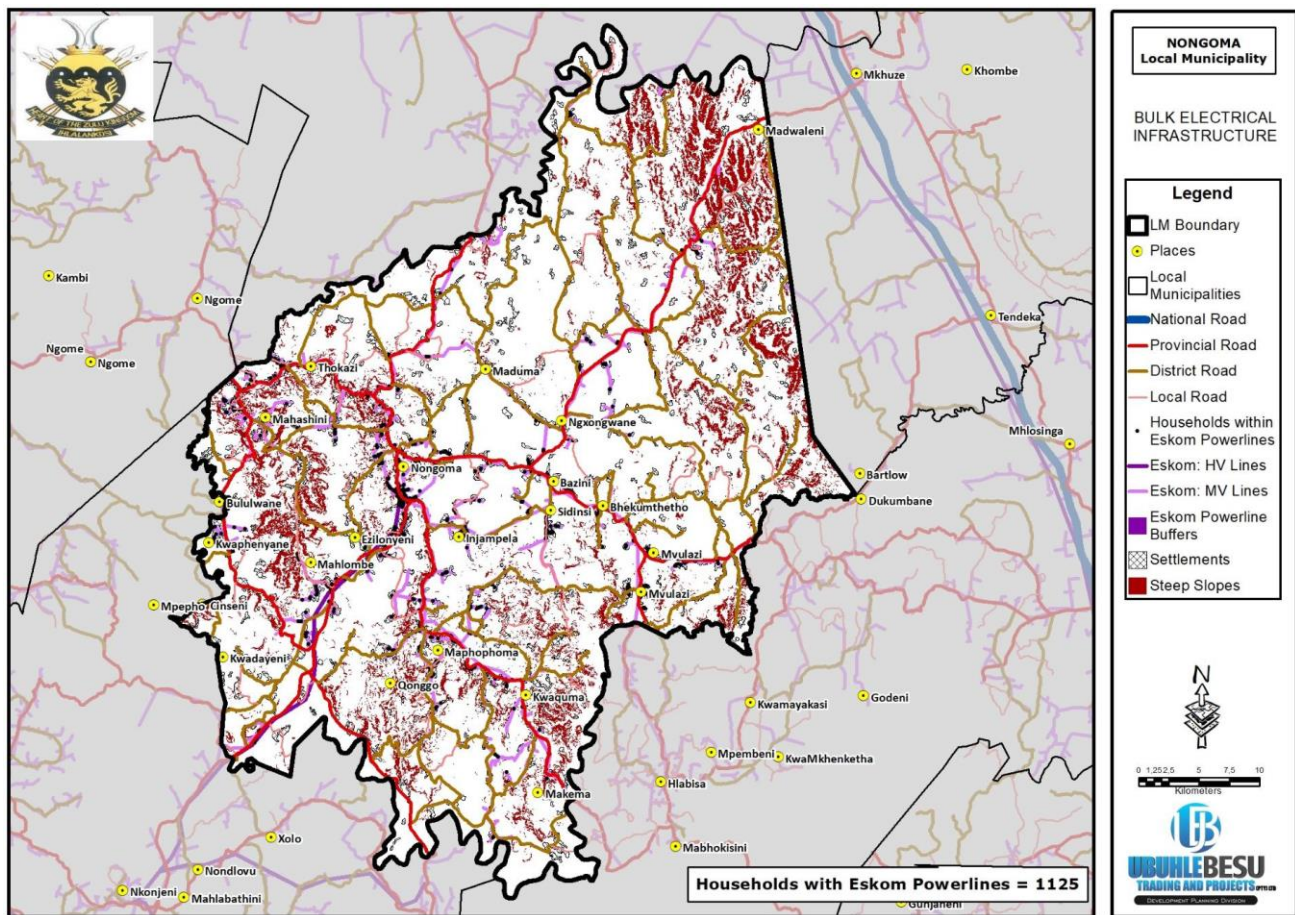


Figure 23: Zululand District Infrastructure Plan, Eskom 2019



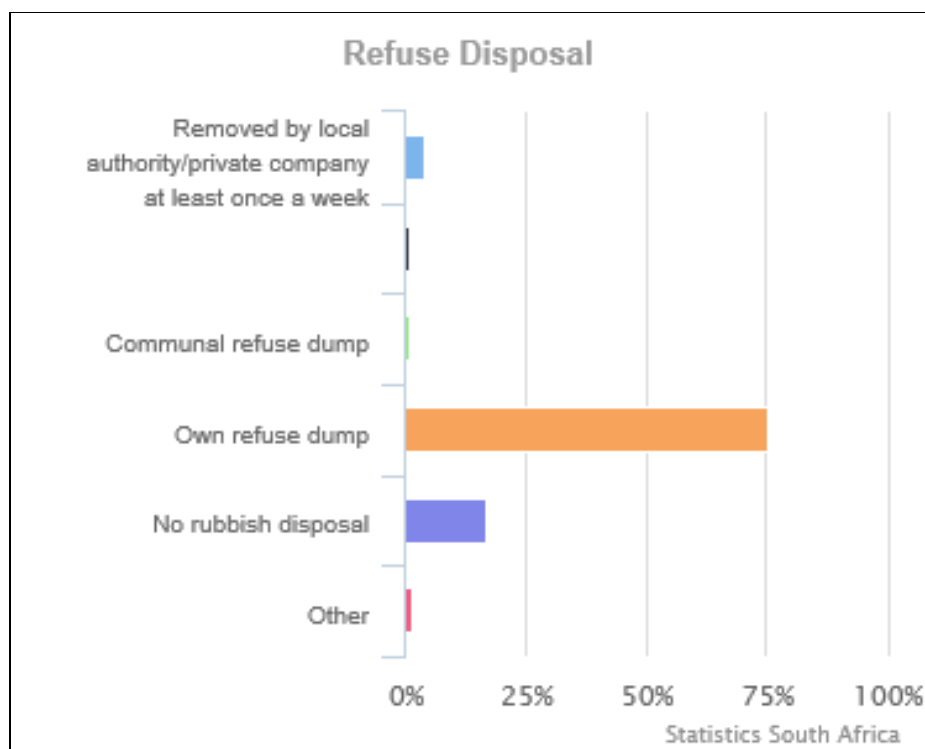
Map 24: Nongoma Bulk Electrical Infrastructure Map, Nongoma LM SDF: Status Quo report, 2019



### 3.5.4. REFUSE REMOVALS SERVICES LEVELS

An in-depth analysis on Waste Management has been covered as part of Environmental Management in this document (Refer to Sub-section 3.3.10). About 4.3% of the households have their waste removed by the municipality at least once a week, whereas about 75.3% households use their own refuse dumps. Lack of access to refuse removal could contribute to indiscriminate dumping of waste and eruption of dumping spots especially in those neglected spots.

Figure 24: Refuse Disposal in Nongoma LM



The Constitution of South Africa, 1996 provides the foundation for environmental regulation and policy in South Africa. The right to environmental protection and to live in an environment that is not harmful to health or well-being is set out in the Bill of Rights (section 24 of Chapter 2). This fundamental right underpins environmental policy and law, in particular the framework environmental legislation established by the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA).

Nongoma Local municipality is responsible for refuse removal and conducts waste collection services to 1200 households considering that Nongoma is predominantly rural by nature, waste collection services are only provided for Urban (Nongoma town) and townships area. The Nongoma Local Municipality through Waste Management Section is collecting waste in all urban areas, including CBD. Some residents from the suburbs around town are appearing on the Municipal Billing system with the total of 590.

Two townships, White City and Dilini with the total of 195 and 415 respectively, are not on the billing system because of title deeds issues. Nongoma Local Municipality is servicing 1200 households in total, this include Suburbs, Nongoma Town, White City, Hospital and Dilini. The frequency of collection to these areas is Three (3) times a week, except White City where collection is two (2)

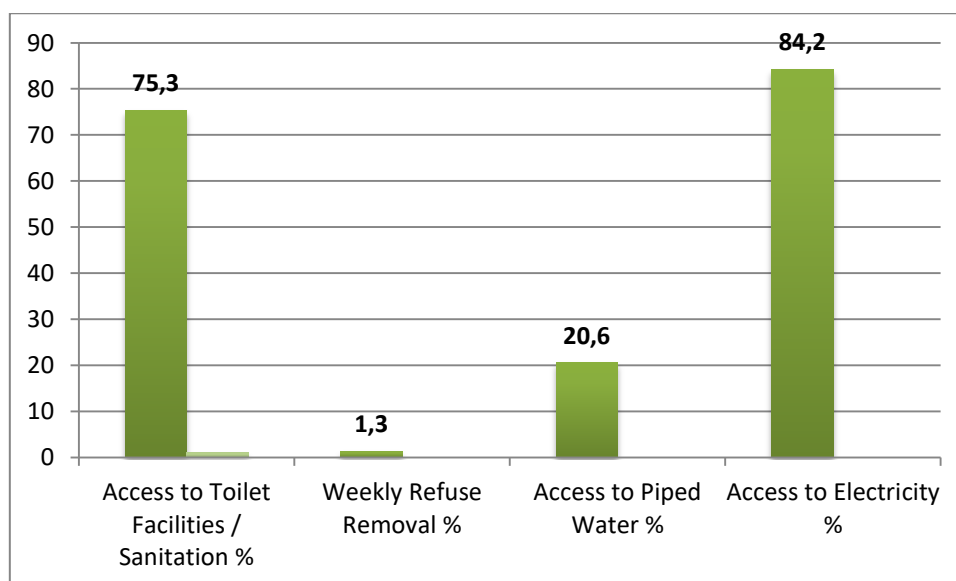
times a week. The Municipality purchased refuse collector truck, which is now operational. In addition, tractors with tipper trailer augment this service at least three times a week. The refuse bins have been obtained for the CBD area during however they are not enough due to high volumes in the CBD.

Nongoma Local Municipality is also conducting waste collection service to Public and Private Institutions, Business premises, CBD, formal and two township areas. The service provided to at least three times a week.

### 3.5.5. SUMMATIVE ANALYSIS TO BASIC SERVICE DELIVERY LEVELS

The summative analysis of the levels of the 4 main basic service delivery issues within Nongoma municipality indicates that the municipality has done well in electrification of its area of jurisdiction, which sits at 84%. Also in terms of sanitation (provision of toilet facilities) the municipality has around 75% of its households covered. The municipality however needs to elevate to the District, the need to provide portable water to its communities. Currently around 20% the households have access to piped water. In terms of waste collection services, the municipality should consider extending its service to other areas outside of the main centre, Nongoma town.

Figure 25: Summative Analysis to Basic Service Delivery

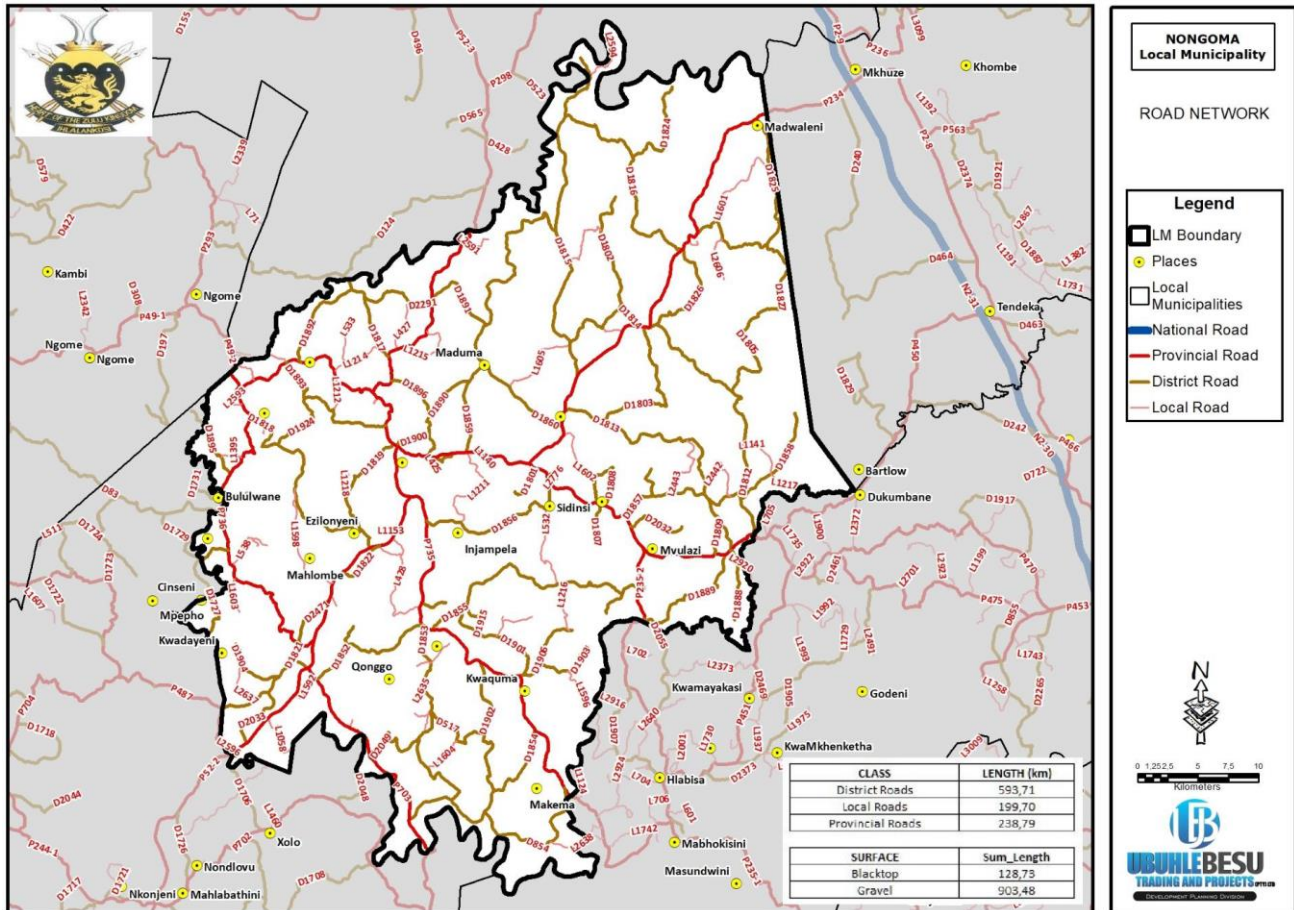


### 3.5.6. TRANSPORT INFRASTRUCTURE SERVICES LEVELS

#### I) ROAD NETWORK

Road network infrastructure for Nongoma municipality is depicted in the Map below:

Map 25: Road network within Nongoma municipality, Nongoma SDF: Status Quo report, 2019



The roads hierarchy within the municipal area can be divided in three categories, i.e. Provincial roads; District and Local roads. The primary routes include the national routes that exist within the area and few strategic provincial routes. The secondary and tertiary routes are mainly the provincial and district roads that exist within the area. The road networks provides an important social and economic infrastructure crucial for the flow of goods and services and therefore to the general development of the Municipality.

A radial network of roads converges in Nongoma Local Municipality. The main routes for Nongoma municipality are:

- R66 (P52) which stretches through Nongoma and links Ulundi to Pongola. This road is only partly surfaced which results in most travelers choosing not to use this route. The tarring of the road between Pongola and Nongoma (R66) remains a priority for the local and the district municipality.
- R618 linking Nongoma to Vryheid (west);
- R618 linking Nongoma to Hlabisa and the N2 (South- east); and
- Nongoma- Mkhuze and N2 (North- east). The needs to be upgraded to blacktop standard.

While the municipality has embarked on gravelling and re-gravelling of rural roads; these roads are generally in poor condition and are often inaccessible during the rainy season. The poor state of roads impedes communities from accessing community facilities such as clinics.

The Department of transport has injected funds to build and maintain access roads within the municipality and other major routes. Nongoma Local Municipality is currently depended on the Comprehensive Rural and Urban Road Master Plan and Maintenance Plan of Zululand District Municipality.

There is a Shortage of access roads due to the spatial distribution of Nongoma. The Municipality has very poor road networks which results to the overall accessibility of the Nongoma Town and its linkages with the rest of the municipality areas, the entire district and the province. The drainage and storm water in Nongoma town needs maintenance, rehabilitation, and upgrading.

There are two formal taxi rank located in Nongoma Town and there is one informal bus rank. The main mode of transport used by the residents of Nongoma is public transport in the form of taxis, buses and bakkies although public transport in the form of buses is scarce due to the poor condition of roads within the Municipality, which isolates the population of Nongoma even further from economic opportunities. Most rivers have low-lying bridges or no bridges at all. This suggests that during the summer months there are many areas that become inaccessible.

Nongoma Municipality has no existing railway infrastructure that traverses its area.

## **II) OPERATIONS AND MAINTANCE PLAN**

The municipality does not have an operation and maintenance plan. The development of the plan has just commenced, and should be completed in the 1<sup>st</sup> quarter of the 2019/2020 FY. Progress towards the implementation of the plan has been embedded in the IDP implementation plan and is reflected in the organizational SDBIP, where in it is expected that quarterly reports of the implementation of the Operations and maintenance plan would be submitted to council.

### 3.5.7. ACCESS TO COMMUNITY FACILITIES

#### 1. EDUCATION

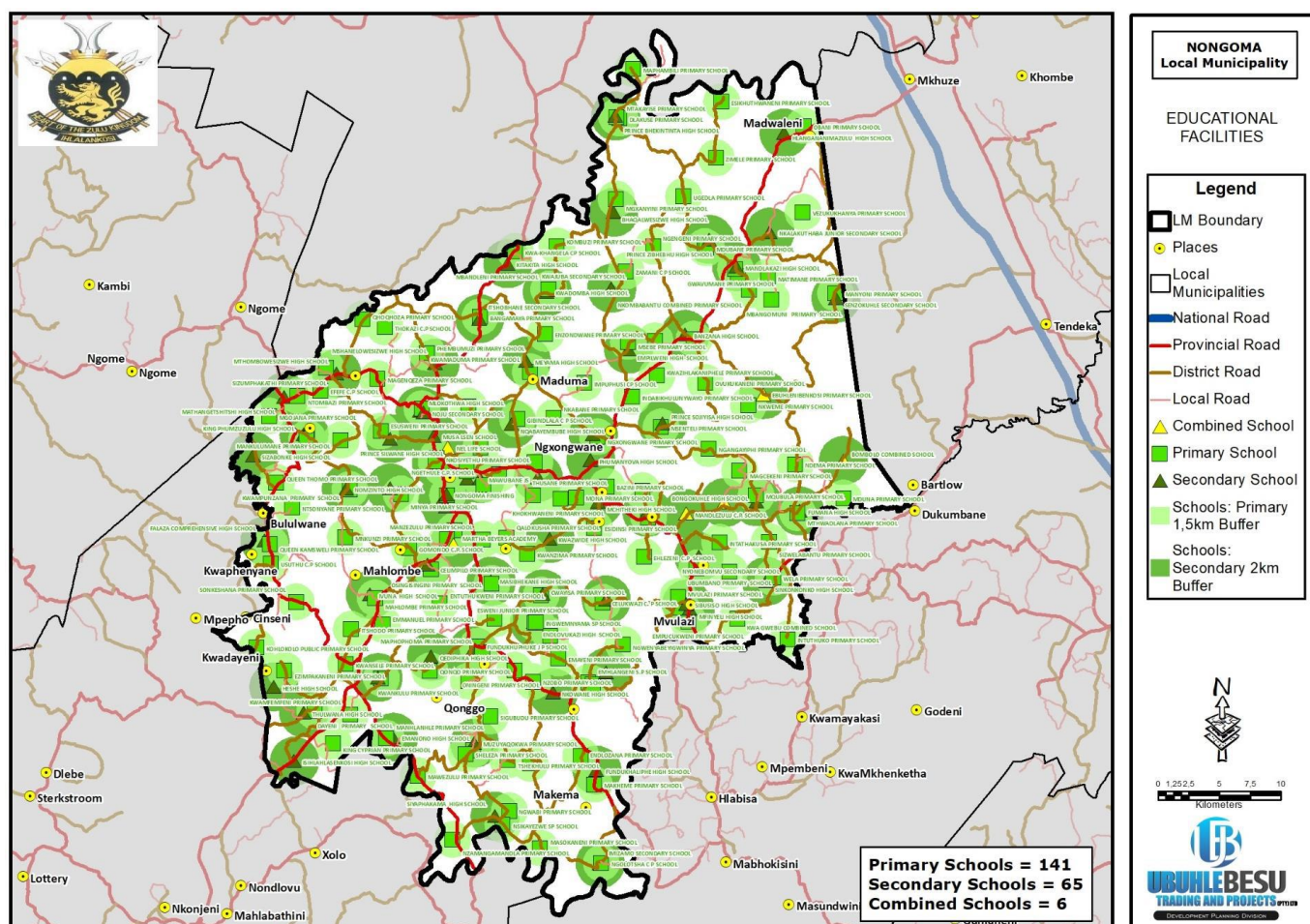
As indicated on the Map, there are hundred and forty-three (143) schools within Nongoma Municipality (98 Primary schools, 45 Secondary and 2 combined Schools). There is currently Mthashana FET College in Nongoma, providing tertiary education to the Municipal area. The closest university is Zululand University found in Richardsbay which is located in the King Cetshawayo district region. It is approximately 184 km away.

To establish a Primary School, an estimated minimum population of 3 000 - 4 000 people is required. With a maximum travel time: 20 minutes, whether by foot, bicycle or by vehicle and a maximum walking distance 1,5 km.

To establish a High School an estimated minimum population: 6 000 - 10 000 people is required. With a maximum travel time: 30 minutes and a walking distance 2, 25 km.

Tertiary facilities are considered to be regional scale facility meaning that it would be planned for in terms of a development framework and not when designing specific living environments.

Map 26: Education Facilities within Nongoma municipality, Nongoma LM SDF: Status Quo report, 2019



All electrification projects provide the school in the project with a point of supply and ESKOM includes the schools already provided with point of supply into their schools electrification program. As a result of this all schools in already electrified areas have electricity. All

schools in areas to be electrified in future will be provided with a point of supply and the information about the schools will be forwarded to the Eskom schools electrification program.

Nongoma is currently serviced by 2 libraries; the central one being the Nongoma town Library situated at 103 Main Street, opposite the Telkom offices in Nongoma. The recently-constructed library will reduce pressure on the main library. There is however a need for additional libraries to be strategically-placed throughout the municipality.

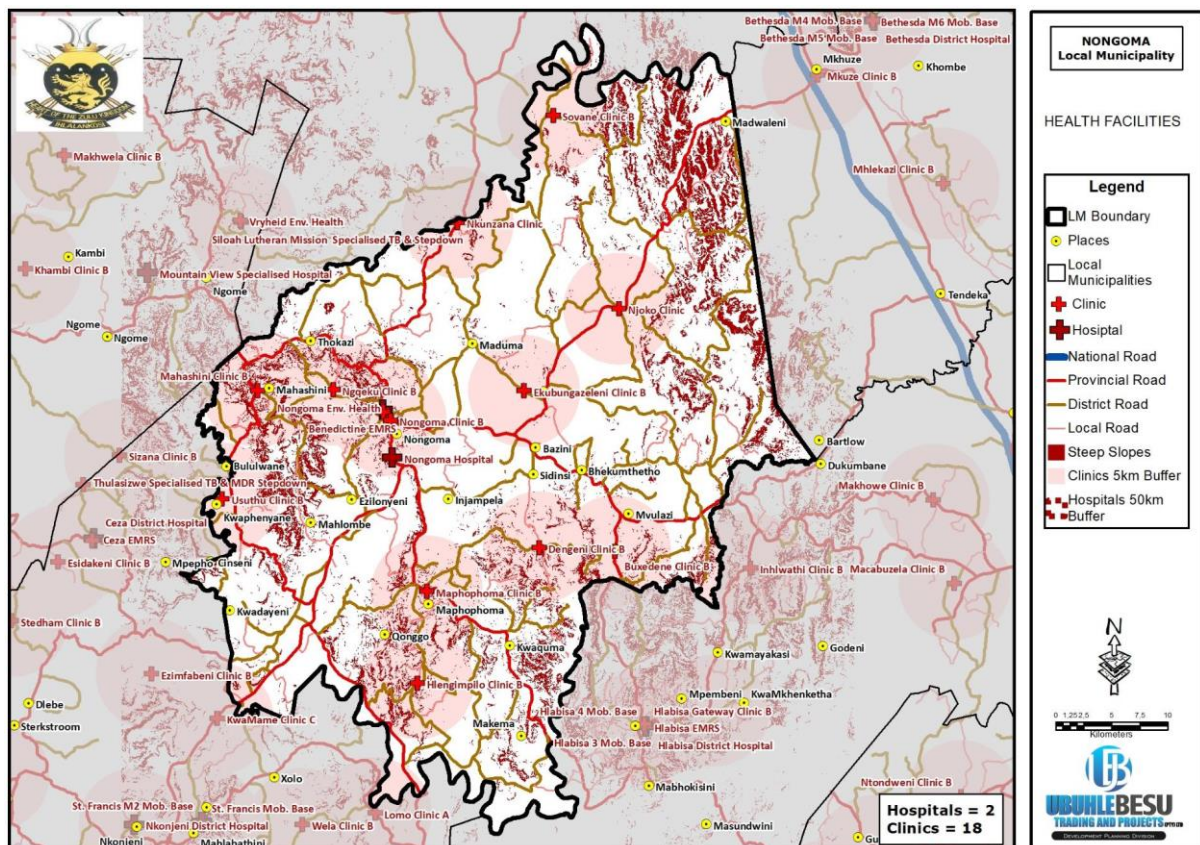
Regarding Early Childhood Development provision, the municipality has taken a model of constructing community halls that will include creches so that there will be proper facilities for Early Childhood Development. The Department of Social development plays a significant role towards the provision of Early Childhood Development facilities within Nongoma municipality.

## 2. HEALTH FACILITIES

Nongoma Municipality has eighteen (18) clinics that are administered by the Department of Health and two (2) Hospitals within the jurisdiction, which provides primary health care. Of the eighteen (18) clinics 3 are mobile clinic that are available monthly. Planning standards for health services in the area requires one clinic for every 6000 households or one clinic within a 5km radius. In light of the above, the Nongoma municipality area is well provided with clinics and health facilities. To establish a clinic within an area; an estimated minimum of 5 000 people is required.

Maximum walking distance: 2 km. Where it is not possible for the facility to be placed within walking distance, it must be easily reached via public transport, with a maximum walk of 5 minutes from the public transport stop to the facility and maximum travel time of 30 minutes to reach the facility from its surrounding settlements.

Map 27: Health facilities within Nongoma LM, Nongoma LM SDF, 2019



In terms of the health sector, the Nongoma area is characterized by inadequate provision of social and physical infrastructure. The highest levels of infrastructural development are, centered in Nongoma Town wherein both the hospitals Benedictine Hospital and Philani Privately owned Hospital) are located.

As part of the backlog determination exercise by the ZDM, a distance further than 5km from a clinic was considered as a backlog while the standards of 1 hospital for every 100 000 people was used as a standard for determining backlogs.

The table below outlines the location of existing health facilities:

**Table 9: Location of Health facilities in Nongoma LM**

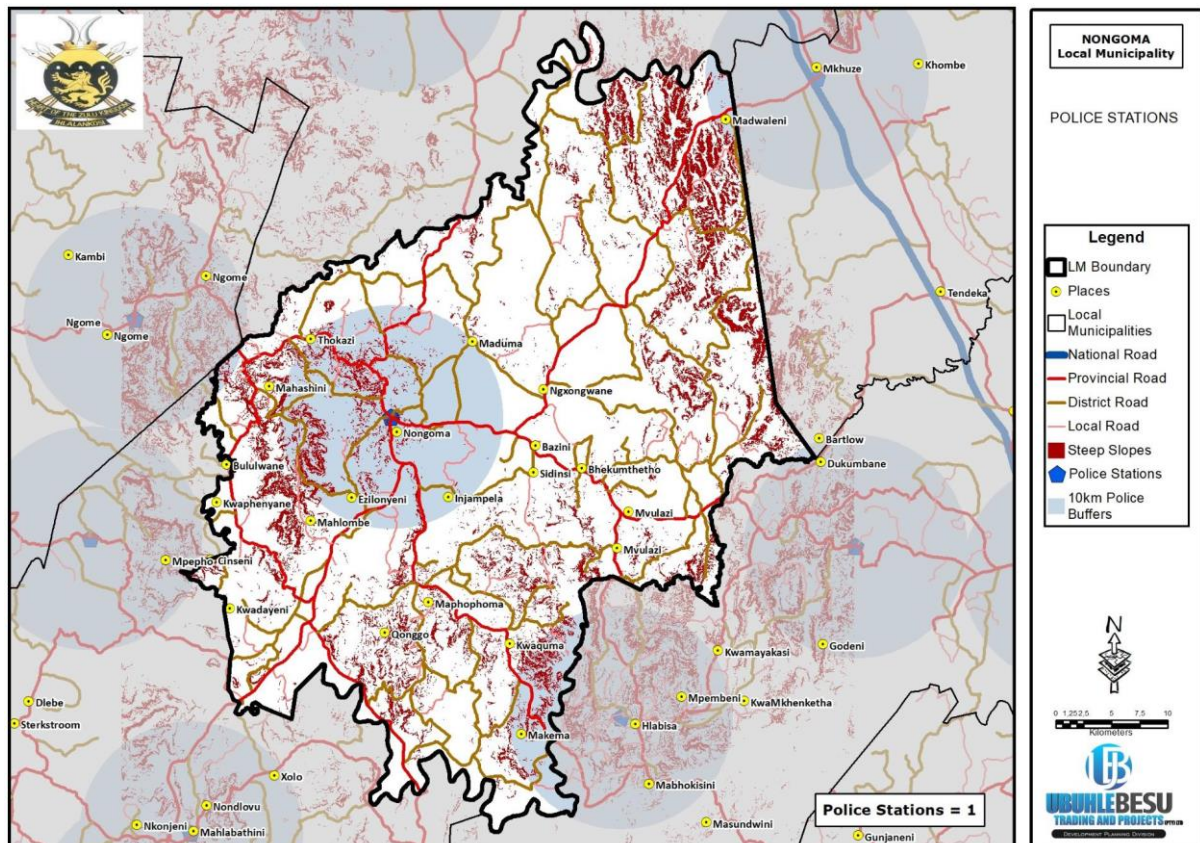
<b>Ward</b>	<b>Type of Health Service</b>	<b>Name of Health Service</b>
Ward 16	Hospital	Benedictine
Ward 19	Clinic	Queen Nolonolo clinic
Ward 13	Mobile clinic (monthly)	Ekubuseni
Ward 14	Mobile clinic (monthly)	Evuna
Ward 9	Mobile clinic (monthly)	Holinyoka
Ward 18	Clinic	Nkunuzana Clinic
Ward 16	Clinic	Mangumhlophe / Nqeku Clinic
Ward 21	Clinic	Mahhashini Clinic
Ward 15	Clinic	Usuthu Clinic
Ward 12	Clinic	Hlengimpilo Clinic (Maphophoma)
Ward 10	Clinic	Nhlekeseni Clinic
Ward 08	Clinic	Buxedene Clinic
Ward 6	Clinic	Dengeni Clinic
Ward 3	Clinic	Sovane Clinic
Ward 5	Clinic	Njoko Clinic
Ward 20	Clinic	Ekubungazeleni Clinic
Ward 13 (KwaMinya)	Clinic	Ekuseni Clinic
Ward 21 (KwaMpunzana)	Clinic	KwaMpunzana Clinic
Ward 19	Hospital	Philani Private Hospital

### 3. SAFETY AND SECURITY

#### I) POLICE STATION

Nongoma Municipality requires 49 police stations but currently only have one police station in town. There is proposed Osuthu police station muted for development in the southern areas of Nongoma Maphophoma and Kwaquma, Osuthu Traditional Council area. A PDA application had been approved to this accord.

Map 28: Nongoma LM Police Station, Nongoma LM SDF: Status Quo report, 2019



The standard that was applied to identify areas of need relates to households further than a distance of 20km from a police station. A typical catchment of a police station is such a facility with every 25000 cumulative people. The municipality is serviced by one police station and that there is a need for satellite service station to cover the municipality.

#### 4. BURIAL FACILITIES

Burial arrangements are closely bound with cultural and religious traditions. In most cases burial sites are needed in relatively close proximity to settlements. Accordingly to the Zululand Cemeteries Master Plan, approximately 700 ha of land will be required in the Zululand District Municipality by the year 2020 to accommodate approximately 800 000 cumulative deaths at that time. The Municipality is still seeking land for cemeteries.

The table below shows the breakdown of the land requirements per Municipality for cemetery requirements:

Table 10: Estimated Cemetery Land Requirements by 2020

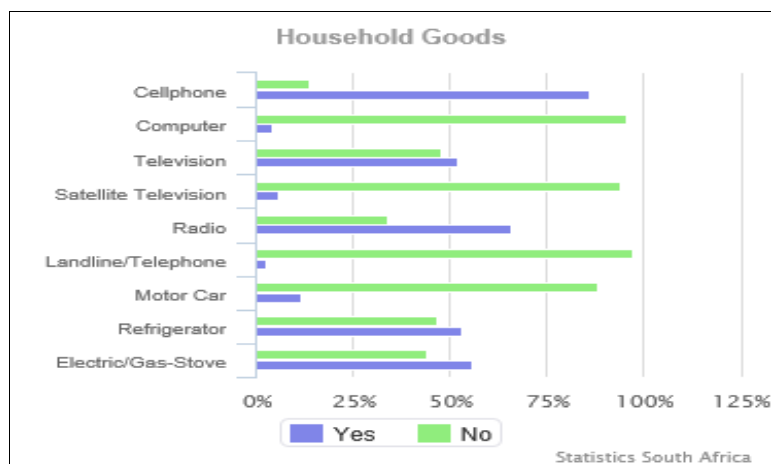
Municipality	Projected Population	Cumulative Deaths up to 2020	Recommended Land Required (ha)
EDumbe (KZ 261)	67 583	52 723	46
UPhongolo (KZ 262)	113 149	88 274	78
Abaqulusi (KZ 263)	230 191	179 558	156
Nongoma (KZ 265)	253 114	197 479	171
Ulundi (KZ 266)	366 677	286 044	249
<b>ZDM</b>	<b>1 030 714</b>	<b>804 078</b>	<b>700</b>

#### 3.5.8. TELECOMMUNICATIONS

Telecommunication is considered by StatSa as one of the households' commodities. Whilst **communications** are in most cases not considered as part of the primary bundle of development services; in most rural areas it is argued that they still provide the ever required access to information, employment opportunities, and education and health facilities. These aspects have an immense role to play in the productivity and social networks, which in turn influence the ability of individuals and households to participate productively in the economic sphere.

The following information has been extracted from the 2011 census results in respect of Telecommunications in the Nongoma Municipality.

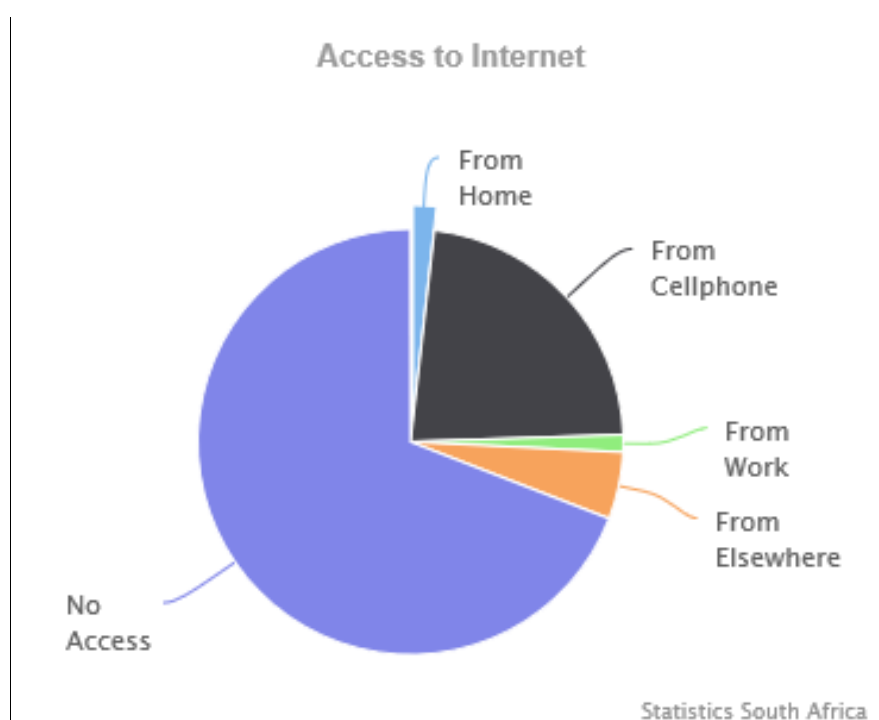
Figure 26: Nongoma LM Households Goods, StatsSa, 2011



There has been an improvement in the access to all surveys telecommunication media in the Nongoma Municipality between the 2001 and 2011 census years. A very significant increase is noted in the cellphone, satellite television and internet accessibility. The increase in access to satellite television can be linked to an increase in access to electricity. Easy access to cellphone communication reduces the need for households to install landline telephone communication.

About 69.2% have no access to internet. While there has been a significant increase in terms of access to cellphone; only 22.7% of the cellphone users access internet via cellphones.

Figure 27: Access to Electricity in Nongoma LM, StatsSa, 2016



### 3.5.9. HUMAN SETTLEMENT

Nongoma municipality has been classified as a housing developer in terms of Human Settlement and is currently developing its Human Settlement sector plan. Based on the timeframes, the plan should be completed by September 2019.

#### I) Housing Segments and Need

Housing demand within the municipal area is still very high, with 34% of residents living in semi-permanent dwellings (mud houses) or unsafe brick houses that need to be replaced. While Nongoma municipal council in partnership with the Department of Human Settlements are dedicated to addressing the housing backlogs, the settlement patterns within the municipality pose a challenge.

The municipality also faces a challenge of not having municipal initiated rental housing stock. Therefore; the municipality needs to consider the establishment of a Social Housing

Programme, which is intended to be an institutional mechanism for rental housing as a public asset for the benefit of various income groups which promotes social integration. The DHS defines Social Housing as:

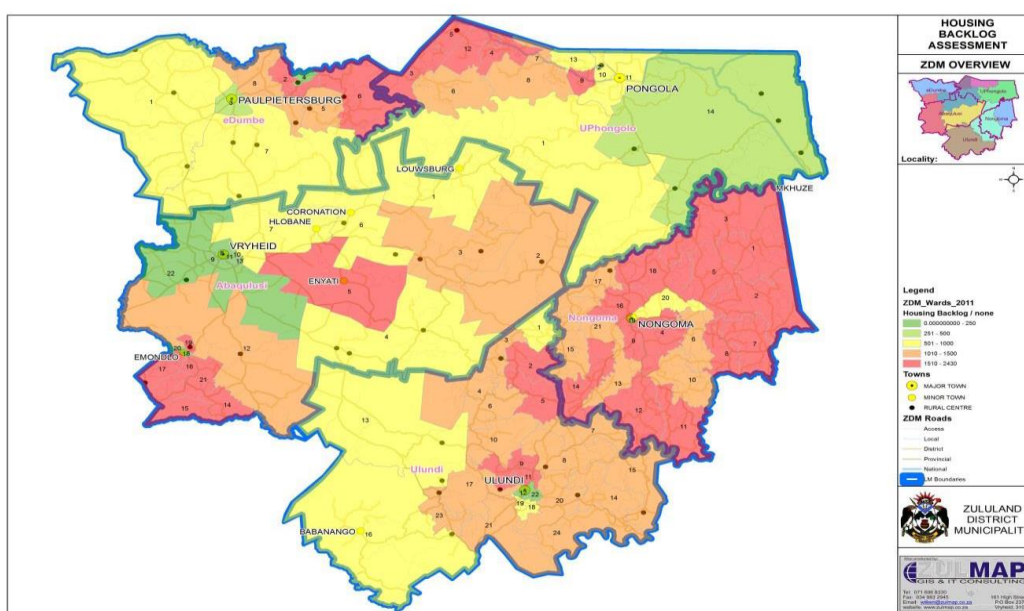
“A rental or co-operative housing option for low income persons at a level of scale and built form which requires institutionalized management and which is provided by accredited social housing institutions or in accredited social housing projects in designated restructuring zones”

It is noted that the private sector also has a role to play in driving the delivery of housing in particular where this relates to the provision of GAP Housing. GAP Housing is intended to bridge the gap in housing delivery for those households which do not qualify for low cost housing, social housing and bank bonded housing due to their income.

The annual household income profile of the population residing within Nongoma LM provides perspective into the extent of housing demand and need in the municipality within each of the programmes available for delivery. Figure 9 indicates annual household income groups represented in percentages that can qualify for either the open housing markets, social housing, Finance linked subsidy housing or low-cost housing subsidies.

Households eligible for low-income housing are those earning less than R3 500 per month or R42 000 per annum. Approximately 78,79 % households in Nongoma Municipality are eligible for low cost housing.

**Map 29: Housing Backlog Assessment of Nongoma LM**



The following table indicates the estimated service backlog and housing against the number of households per ward within the Nongoma municipal area:

**Table 11: Housing Backlog against Households by Ward (StatsSa, 2011)**

WARD	NO. OF HOUSEHOLDS	HOUSING BACKLOG
1	1 708	1 116
2	1 634	1 128
3	1 773	1 036
4	2 175	677
5	1 610	461
6	1 340	173
7	1 688	960
8	1 572	310
9	2 932	707
10	1 503	836
11	1 621	908
12	1 649	1 120
13	1 055	682
14	1 844	1 031
15	1 278	782
16	3 270	636
17	1 420	427
18	1 725	417
19	178	39
20	1 159	204
21	1 207	690
<b>TOTAL</b>	<b>34 341</b>	<b>13 340</b>

According to Census 2011, the housing need in Nongoma Municipality is estimated to be **13 340**. However this backlog may include beneficiaries earmarked for housing in the current housing projects being implemented throughout the municipality area. The above table clearly indicates that the housing backlog is evenly distributed across the 21 wards. However, wards 1; 2; 3; 12; and 14 are experiencing the highest number of housing backlog.

#### **li) Mechanism for Coordination of Housing Projects**

Nongoma municipality has a functional Housing Forum. The forum sits quarterly and is chaired by a Municipal Official. Through the forum, the Municipality facilitates a close working relationship between itself, the main funder (Department of Human Settlement) and the implementers. Ward councilors also participate in the Housing Forum.

### 3.5.14. SWOT ANALYSIS FOR BASIC SERVICE DELIVERY & INFRASTRUCTURE

<b>Strengths</b> <ul style="list-style-type: none"> <li>• Institutional capacity (Most of critical posts are filled)</li> <li>• Integrated Waste Management Plan (IWMP) in place</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• Lack of tools of trade (i.e. There is only one grader that is over-utilized and no fleet for other operations)</li> <li>• Inability to use current consultants for engineering issues in town, only focused on MIG</li> <li>• Lack of skills</li> <li>• Inadequate resources</li> <li>• Organogram</li> <li>• Slow SCM processes delays the appointment of service provider to prepare Comprehensive Maintenance Plan (stiull on a tender stage)</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>• Availability of MIG, and other grants through submission of business plans</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• Current drought and water shortage</li> </ul>

## **3.6. LOCAL ECONOMIC DEVELOPMENT (LED) AND SOCIAL DEVELOPMENT**

### **3.6.1. LOCAL DEVELOPMENT STRATEGY**

Nongoma Local municipality is currently reviewing its LED Strategy through a service provider. A draft document has been presented to the municipality, and the final document is due by the end of June 2019. The preparation of the LED Strategy has been outsourced.

#### **3.6.1.1. SOCIO-ECONOMIC PROFILE OF NONGOMA MUNICIPALITY**

##### **1. WORKING AGE**

It must be noted that within Nongoma, a large percentage of the working age consists of more males than women. This is due to the fact that in most instances more especially amongst the rural African communities, it is still a norm that females must stay at home attending to domestic issues while men leave their homes for employment purposes.

##### **2. UNEMPLOYMENT**

According to the PGDS, unemployment remains chronic and rising and concentrated amongst Africans in rural areas, women and the youth. This is no exception at Nongoma. This further leads to a significant contribution to poverty. The municipality is faced with a high number of unemployment more especially the youth. Policies and programmes to curb poverty and create job opportunities are in place. The municipality has also ensured that it partners with stakeholders in and the private sector in applying mechanisms with an effort to create employment opportunities, skills enhancement, effective and efficient governance etc.

The KZN Small Business Development Agency and Ministry of Small Business Development are amongst many programmes the Province has implemented as a vehicle to refocus on small businesses. The municipality has also ensured that through its employment policies, small and medium businesses are created as they are the largest contributors to new employment opportunities.

Informal sector also plays a large part in the creation of jobs within the municipality. Nongoma Municipality, through its Local Economic Development, has ensured that bylaws have been formulated and are being implemented to enhance its growth as it shows that quite a large part of the population depend on it.

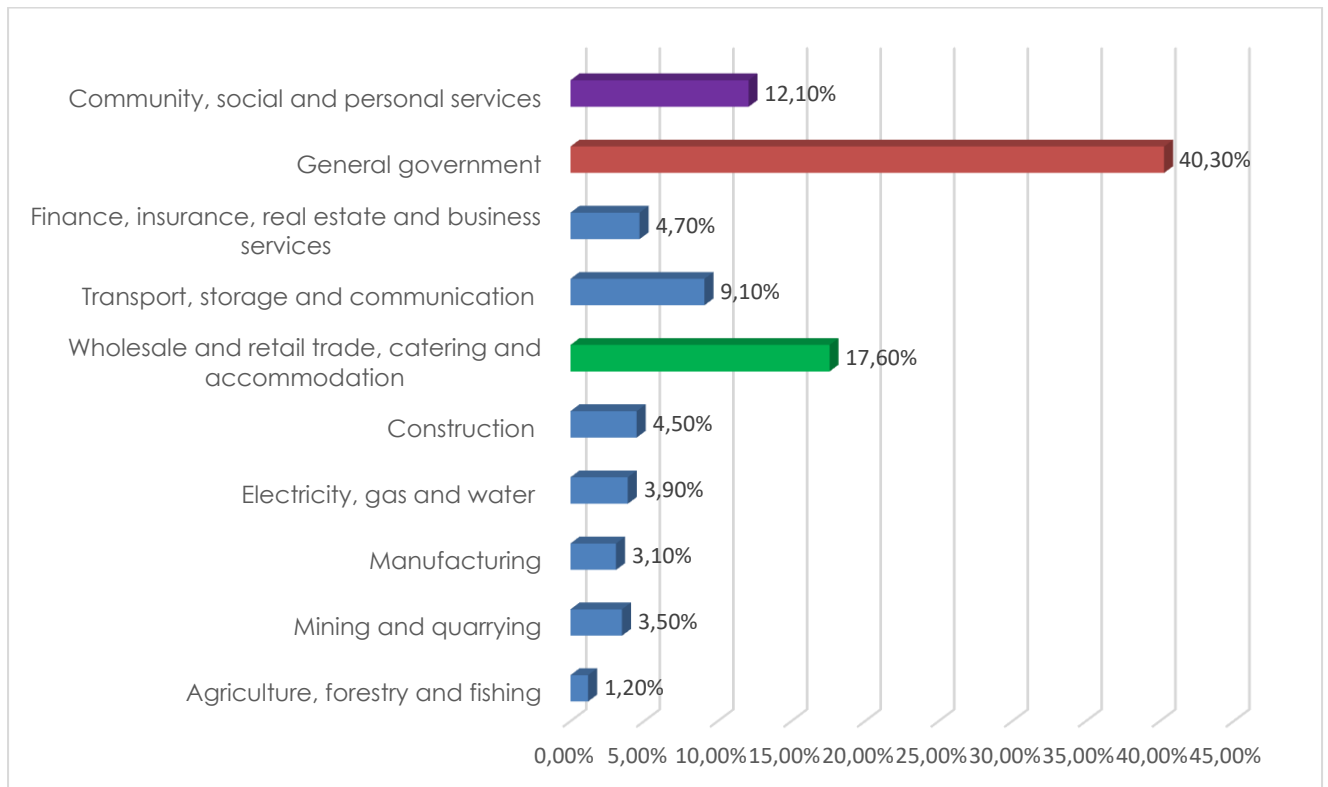
##### **3. ECONOMIC TRENDS**

Nongoma is among the economy booster of the district due to its economic sectors. Commercial agriculture and other numerous companies successfully export products to some of the exclusive areas around the country. The improvement of its infrastructure, education, health and recreational facilities contribute immensely to its appeal.

##### **4. GVA Contribution**

As illustrated in the figure below, general government (40.3%), wholesale and retail trade, catering and accommodation (17.60%) and community, social and social personal services (12.10%) are the top sectors in Nongoma. The following figure highlights the economic contribution of each sector of Nongoma Local Municipality's economy.

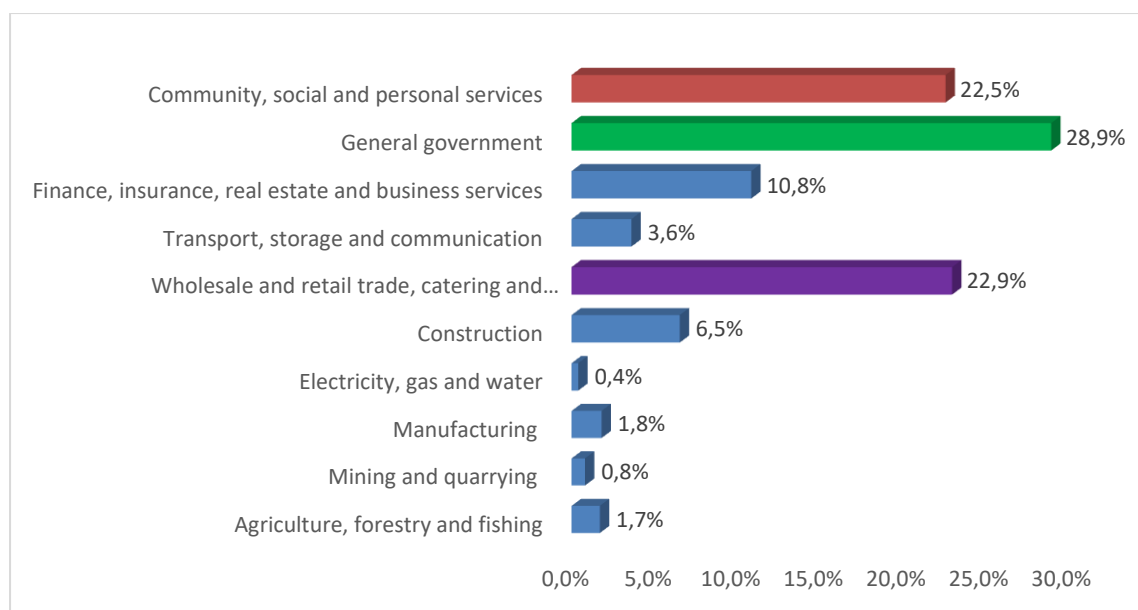
Figure 28: Economic Contribution per Sector in Nongoma LM, Quantec, 2018



## 5. EMPLOYMENT

As illustrated in the figure 25 below, general government (28.9%), wholesale and retail trade, catering and accommodation (22.9%) and community, social and social personal services (22.5%) are still the leading top sectors that employ many people in Nongoma Municipality. The following figure highlights the employment contribution of each sector of Nongoma Local Municipality's economy.

Figure 29: Sectoral contribution to Employment in Nongoma LM, Quantec, 2018



### 3.6.1.2. NONGOMA AGRICULTURAL STRATEGY

Nongoma municipality is an agricultural based locality with its output derived mainly from subsistence farming and small scale commercial agricultural production. Many policy documents denote that agriculture remains the principal driving force of rural economies in the Province, and these are characterized by income from subsistence farming.

The municipality is currently developing its Agricultural Strategy, and a draft document has been presented. The focus of the Strategy is to seek to unlock the agricultural potential by clinically identifying high impact interventions that would assist in the eradication of food and poverty in general.

The ultimate goal of the strategy is to have an economically viable agriculture sector which ensures food security, job creation and income generation. Lastly the plan's strategic focus has to ensure more participation of farmers into the sector, graduation of farmers from subsistence to commercial and functionality of institutional vehicles for implementation.

### 1. NONGOMA AGRICULTURE PROFILE

Agricultural Potential was determined by the Department of Agriculture Forestry and Fisheries, and was categorised into 5 Categories A to E. The land potential, attached overleaf depicts that the higher potential land is situated on the Northern boundary with uPhongolo Local Municipality, around Maphophoma. The lowest category seems to follow the movement routes of the R66 and R618, and was transformed due to human activity along these routes.

The current cultivation pattern does not correspond to the potential of the land and is more linked to the settlement pattern as the settlements are dependent on agriculture and subsistence farming for survival. This might have to affect that some of the farms are not as productive as the areas in close proximity to the higher agricultural potential land.

The land use map depicts a much larger spread of subsistence farming than the land cover plan. It also depicts only a small portion of the high agricultural land being used for Commercial farming activities. This provides an opportunity for the expansion of commercial farming within the municipality.

Agricultural opportunities consist of the following aspects as outlined in the Local Economic Development Strategy.

- Improve production & marketing of vegetables grown at Bululwane Irrigation scheme
- Ngome tea estate
- Small irrigation schemes
- Livestock (Beef & Goats)
- Access to markets for beef farmers.
- Fruit and Nut Tree Planting Programme
- Piggeries
- Peanut processing
- Broilers
- Goat Projects
- Wood Lot
- Home, Community and Clinic gardens

As the Municipality is not well served by roads, the potential of farmers in the area to grow fresh produce such as fruits and vegetables for the larger markets is limited. The municipality should consider the possibility of providing access roads to agricultural potential areas to catalyse agricultural activities that could address poverty and promote economic growth of the municipality.

## **2. Agricultural corridors**

The PSEDS identifies the R66 between Nongoma and Pongola Town as an agricultural Corridor. This route is identified by the PSEDS as a secondary Provincial Corridor. The agricultural production areas are situated partly on the boundary between Nongoma LM and uPhongolo, but the main arable production area is situated on the northern boundary of Nongoma. The agricultural corridor does not only refer to processing of arable agricultural product, as a large portion of the land is suitable for livestock grazing.

## **3. PESTEL and SWOT Analysis**

The condition analysis with regards to the agricultural sector in Nongoma municipality has been conducted using the SWOT and the PESTEL analysis so as to be able capture all aspects pertaining to the sector.

In addition to the SWOT analysis, the Nongoma Agricultural Strategy identifies the political, economic, social, technological, environmental, and legal challenges affecting the agricultural sector.

## PESTEL Analysis

<b>POLITICAL</b>
<ul style="list-style-type: none"> <li>○ National focus on agrarian transformation, rural development, sustainable rural communities</li> <li>○ IPAP2 policy focus on agro-processing, biofuels, forestry, paper and furniture</li> <li>○ Land in control of ITB making funding less favourable</li> <li>○ Focus on agriculture and rural development in the Provincial Growth and Development Strategies</li> <li>○ Nationally food-secure but 14% of South Africa's population is vulnerable to food insecurity</li> </ul>
<b>ECONOMIC</b>
<ul style="list-style-type: none"> <li>○ Rising input costs particularly with seeds, animal feed, fertilisers and farming equipment</li> <li>○ Increasing cost of electricity and inconsistent supply to remote rural areas</li> <li>○ Seasonal nature of employment</li> <li>○ Volatility in exchange rates</li> <li>○ IPAP2 financial support to high-priority sectors</li> <li>○ Lack of transport infrastructure in rural areas</li> <li>○ Increased demand for food</li> <li>○ Food inflation</li> <li>○ Marginalisation of poor rural communities</li> <li>○ Farming debt and lack of access to credit for small farmers</li> </ul>
<b>SOCIAL</b>
<ul style="list-style-type: none"> <li>○ Migration out of rural areas reducing the agricultural workforce</li> <li>○ Perception of agriculture as an unattractive sector</li> <li>○ Consumption and buying patterns, e.g. the increased demand for organically grown foods</li> <li>○ Levels of development in rural areas</li> <li>○ Crime</li> <li>○ HIV/AIDS</li> <li>○ Availability of basic services such as health, education</li> <li>○ Low levels of skill and skills development in the agricultural sector</li> <li>○ Growing demand for holidays on game farms and lodges</li> <li>○ Limited earning potential in rural areas</li> </ul>
<b>TECHNOLOGICAL</b>
<ul style="list-style-type: none"> <li>○ Commercial farms opting for more high-tech equipment that is less labour intensive</li> <li>○ Equipment hire is prohibitively high for small-scale farmers</li> </ul>
<b>ECOLOGICAL</b>
<ul style="list-style-type: none"> <li>○ Limited water supply in South Africa and worse in Nongoma</li> <li>○ Semi-arid conditions and effects of climate change increase vulnerability of agriculture</li> <li>○ Historically unsustainable farming practices have caused environmental degradation</li> <li>○ Interest in ecologically sustainable</li> </ul>
<b>LEGAL</b>
<ul style="list-style-type: none"> <li>○ Stringent phyto-sanitary regulations imposed by the United States and European Union on imports of agricultural products</li> </ul>

#### 4. SWOT Analysis in relation to Agriculture in Nongoma municipality

This section serves as the concluding section to the Situational Analysis section and provides a breakdown of the Nongoma's Strengths, Weaknesses, Opportunities and Threats (SWOT) from all identified and analysed economic sectors. The strengths and weaknesses are based on the present situation while the Opportunities and Threats consider the future implications of various factors. It should be noted that SWOT analysis leads to the understanding of strengths to be worked upon as well as weaknesses to be counteracted in the area. Strengths from all sectors will be grouped and presented together; this also applies to weaknesses, opportunities and threats.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>– Climate: good climatic weather that favours most agricultural crops</li> <li>– Rainfall average of more 1000mm p.a.</li> <li>– Existing of high potential agricultural land</li> <li>– Locality to the Dube Trade Port</li> <li>– Community involvement and commitment from Amakhosi</li> <li>– Availability of Co-operatives involved in agriculture</li> <li>– Existing of support services like Enterprise Ilembe and government departments</li> <li>– Organized agriculture (Farmers' Associations and Cooperatives)</li> <li>– Locality of the Municipality along the R74 road (corridor)</li> <li>– Underutilized rural land</li> </ul>	<ul style="list-style-type: none"> <li>– Inadequate financial resources to improve economic growth</li> <li>– High level of illiteracy among citizens</li> <li>– Backlog on bulk infrastructure like water</li> <li>– Poor road network</li> <li>– High levels of poverty and underdevelopment</li> <li>– Limited access to markets for local SMMEs</li> <li>– Equipment to practice farming are not sufficient</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>– Roads R66, R69, P 700 (linking Nongoma with Richards Bay, Durban, Vryheid and Pongola).</li> <li>– KZN Growth Fund to expand public and private investment in local job creation opportunities</li> <li>– Extension services from the DARD</li> <li>– Funding opportunities from DARD, DRDLR, EDTEA, ADA and other funders</li> <li>– Agribusiness development</li> <li>– Diversification of agricultural activities</li> <li>– Poverty reduction agricultural projects and agri-processing projects</li> <li>– Government Programmes i.e. RASET (Operation Vula), Agri-parks and the National Schools Nutrition Programme</li> <li>– An alien clearance programme should be developed by the Municipality to address the impacts of the invasive alien plants</li> </ul>	<ul style="list-style-type: none"> <li>– Inadequate funding for agricultural projects</li> <li>– High level of illiteracy among farmers</li> <li>– Backlog on bulk infrastructure</li> <li>– Poor road networks to transport goods</li> <li>– Shortage of infrastructure such as roads, sanitation, water, electricity</li> <li>– Unsustainable farming practices resulting in soil erosion, veld deterioration and degradation</li> <li>– Availability of alien invasive plants</li> <li>– Climate change (drought patterns)</li> </ul>

### 3.6.1.3. NONGOMA INVESTMENT PROFILE

#### 1. Public Investment

The municipality will be investing couple of million of the capital budgets in the major infrastructures in the area. Because of the municipality's accelerated performance in the implementation of projects the municipality has had to enter into a bridge finance arrangement with the provincial and national departments to further accelerate service delivery and beat inflation by paying today's prices for tomorrow's infrastructure and further bringing forward delivery date of the projects to the community. As part of the Municipal revenue growth strategy it aims to concentrate on revenue generating assets so as to ensure sustainability of the provision of bulk infrastructure such as road, the water and sanitation services. The following list excludes investment in operational assets such as sanitation provision<sup>3</sup>.

#### 2. Private Investment

This sub-section provides an indication of domestic investment by analysing gross fixed capital formation<sup>4</sup> in terms of:

- Gross domestic fixed investment<sup>5</sup>; and
- Fixed capital stock<sup>6</sup>.

The analysis of total domestic investment is done for Nongoma and its family of wards. The more detailed analysis of domestic investment per industrial sector is done for Nongoma domestic investment per industrial sector.

Table 13: Gross Domestic Fixed Investment, Quantec, 2018

Gross fixed capital formation	R in Million	%
Gross fixed capital formation - Buildings and construction works	297.158	55.0
Gross fixed capital formation - Machinery and other equipment	127.672	23.6
Gross fixed capital formation - Transport equipment	72.924	13.5
Gross fixed capital formation - Information and communication	25.666	4.8
Gross fixed capital formation - Research, mineral exploration and biological resources	16.875	3.1
Gross fixed capital formation - Total	540.301	100.0

<sup>3</sup> Nongoma IDP (2018)

<sup>4</sup> Gross fixed capital formation is a measure of the value of acquisitions of new or existing fixed assets by the business sector, governments and household. It takes into account disposals of fixed assets. It provides an indication of how much of the new value added in the economy is invested rather than consumed. It is a measure of fixed investment and includes capital goods such as factories, machinery, tools and buildings but excludes land acquisition. Essentially, it is a flow value that provides an indication of the producer's acquisitions of capital goods, less disposals of fixed assets during the accounting period.

<sup>5</sup> Gross domestic fixed investment is a flow value that provides a measure of investment into capital goods that are not consumed in the production process, such as factories, machinery, tools and buildings but excludes land acquisition.

<sup>6</sup> Fixed capital stock represents the actual value of capital goods that are not consumed in the production process.

As indicated in the preceding table the gross domestic fixed investment for Nongoma in 2018 is over **R 540 301 million**. Table below illustrates the trend in the fixed capital stock for the Nongoma Municipality and its family of wards in 2016.

**Table 12: Fixed Capital Stock for Nongoma LM, Quantec, 2018**

<b>Fixed capital Stock</b>	<b>R in Million</b>	<b>%</b>
<b>Fixed capital stock - Buildings and construction works</b>	5262.871	78.2
<b>Fixed capital stock - Machinery and other equipment</b>	799.385	11.9
<b>Fixed capital stock - Transport equipment</b>	479.142	7.1
<b>Fixed capital stock - Information and communication</b>	56.601	0.8
<b>Fixed capital stock - Research, mineral exploration and biological resources</b>	135.694	2.0
<b>Fixed capital stock - Total</b>	<b>6 733.695</b>	<b>100.0</b>

Source: Quantec 2018

As indicated by the table, the Municipality's fixed capital stock is estimated at **R 6 733 695**.

### **3. Private Investment per Sector**

The following table provides gross domestic fixed investment and fixed capital stock for the Nongoma Local Municipality in terms of 10 industrial sectors. A more detailed analysis of the manufacturing sector follows.

**Table 14: Domestic Investment within 10 sectors in Nongoma LM, Quantec, 2018**

<b>Industry</b>	<b>Gross fixed capital formation - Total</b>		<b>Fixed capital stock - Total</b>	
<b>Agriculture, forestry and fishing</b>	7.999	1.5%	140.829	2.1%
<b>Mining and quarrying</b>	17.411	3.2%	141.685	2.1%
<b>Manufacturing</b>	15.09	2.8%	125.492	1.9%
<b>Electricity, gas and water</b>	85.099	15.8%	777.507	11.5%
<b>Construction</b>	6.165	1.1%	31.618	0.5%
<b>Wholesale and retail trade, catering and accommodation</b>	50.091	9.3%	392.29	5.8%
<b>Transport, storage and communication</b>	93.758	17.4%	1132.589	16.8%
<b>Finance, insurance, real estate and business services</b>	23.544	4.4%	281.935	4.2%
<b>General government</b>	221.897	41.1%	3531.301	52.4%
<b>Community, social and personal services</b>	19.247	3.6%	178.449	2.7%
<b>Total</b>	<b>540.301</b>	<b>100%</b>	<b>6733.695</b>	<b>100%</b>

Source: Quantec 2018

As indicated in the preceding table, the gross domestic fixed investment is highest in the following sectors: general government (41.1%); transport, storage and communication (17.4%) as well as electricity, gas and water (15.8%) in Nongoma. Further, in terms of the

capital stock in the Municipality, the highest sectors include general government (41.1%); transport, storage and communication (17.4%) as well as electricity, gas and water (15.8%).

Table 13 Domestic investment within the Manufacturing sector for Nongoma Local Municipality, 2018 (Quantec 2018)

Manufacturing Sector	GDFI: Gross fixed capital formation - Total		CAP: Fixed capital stock - Total	
Food, beverages and tobacco	5.84	38.7%	57.351	45.7%
Textiles, clothing and leather goods	0.083	0.6%	1.02	0.8%
Wood and paper; publishing and printing	1.756	11.6%	15.731	12.5%
Petroleum products, chemicals, rubber and plastic	3.798	25.2%	21.033	16.8%
Other non-metal mineral products	0.447	3.0%	4.914	3.9%
Metals, metal products, machinery and equipment	1.768	11.7%	13.731	10.9%
Electrical machinery and apparatus	0.056	0.4%	0.287	0.2%
Furniture; other manufacturing	1.342	8.9%	11.4	9.1%
<b>TOTAL Manufacturing</b>	<b>15.09</b>	<b>100%</b>	<b>125.492</b>	<b>100%</b>

The sub-sector with the highest level of domestic investment within the Municipality is Food, beverages and tobacco. Gross domestic fixed investment in this sector is 38.7% of total gross domestic fixed investment, and fixed capital stock in this sector is 45.7% of total fixed capital stock.

This sector is followed by Petroleum products, chemicals, rubber and plastic 25,2% in Gross domestic fixed investment and 16,8% fixed capital stock.

#### 4. COMPETITIVE ADVANTAGE

This section presents Nongoma's competitive advantage sectors, industry hubs and key interventions or projects. In short, this section presents Nongoma's economic potential and future economic plans/prospects.

Key Features	Description
<b>Key competitive Economic Sectors include the following:</b>	<ul style="list-style-type: none"> <li>– Wholesale and retail trade, catering and accommodation</li> <li>– Community, social and social personal services</li> <li>– Transport Storage and communication, and</li> <li>– Tourism</li> </ul>
<b>Environmental and Heritage Tourism</b>	Nongoma Local Municipality is rich in both cultural and heritage tourism opportunities and existing competitive advantages. Examples of such tourism advantages include the following: Nongoma's unique role in the Zulu nation as a kingdom is a key competitive advantage in the tourism of the province.
<b>Strategic location of Municipality</b>	Strategic in terms of tourism and economic development. Nodal development opportunities and international (regional) gateway opportunities. East3Route Investment Plans and Activities have been promoted (linking Swaziland, Mozambique and KwaZulu-Natal).
<b>Transportation Linkages</b>	Good road linkages connecting KwaZulu-Natal to neighbouring municipalities. Opportunities for more strategic infrastructure developments. The location of Nongoma alongside the R62 is strategically important for the development of a number of sectors including tourism, manufacturing and agriculture

Source: KZN Provincial Spatial Economic Development Strategy (2018)

## 5. INVESTMENT PROMOTION AND FACILITATION STRATEGY

Nongoma municipality is currently developing its Investment Promotion and Facilitation Strategy. A draft document has been presented to the municipality, and the final document will be available in June 2019. The objectives of the strategy are:

1. To identify the strengths and weaknesses, and comparative advantages of the Nongoma Local municipality;
2. To identify and promote priority sectors within the Nongoma Local Municipality;
3. To develop a comprehensive implementation strategy outlining how investment aimed at maximising resource usage will take place at the local level; and
4. To develop a monitoring and evaluation framework to ensure that investment promotion and facilitation efforts are having the desired impact.

## 6. INVESTMENT PROMOTION

Key activities undertaken in Nongoma with regard to investment promotion are outlined in the following table

Table 14: Investment promotion in Nongoma LM, Insingo Projects, 2019

Method	Description
<b>Accessing gathering and compiling information</b>	<ul style="list-style-type: none"> <li>– Investment promotion is embedded within Nongoma's IDP, SDF and LED Strategy. The SDF provides a spatial and economic analysis of the area, while the IDP and LED strategy have identified the municipal's competitive advantages, highlighting avenues of investment that can capitalize on this.</li> <li>– The municipality, however, lacks any prospectus that investors can make use of to inform investment decisions</li> </ul>
<b>Identification of new opportunities and industries</b>	<ul style="list-style-type: none"> <li>– The SDF and IDP are aligned in terms of identification of new opportunities and industries. Wholesale, retail and trade, transport storage and communication and tourism are outlined as key priority sectors.</li> </ul>
<b>Marketing and advertising</b>	<ul style="list-style-type: none"> <li>– There is no unit or staff member allocated specifically to marketing and advertising investment opportunities in Nongoma Local and no communication or marketing strategies exist.</li> <li>– No Campaigning has been undertaken by Nongoma Local Municipality.</li> </ul>
<b>Relationship building</b>	<ul style="list-style-type: none"> <li>– There is a good relationship with TIKZN as a promoting agency for Nongoma Local Municipality.</li> <li>– A view from private sector business reveals the Local Municipality is a poor service provider and this image could negatively impact on future investment in Nongoma.</li> </ul>
<b>Incentive packages</b>	<ul style="list-style-type: none"> <li>– Tax incentives are not outlined in Nongoma's LED Strategy for target sectors and industries; and there is no Portal on Nongoma's website advertising any incentives.</li> </ul>

## 7. INVESTMENT FACILITATION

Analysis is given in the following table to the various methods of investment facilitation in Nongoma Local Municipality. Included are the results from both the private and public surveys.

Table 15: Investment facilitation in Nongoma LM, Insingo Projects, 2019

Method	Description	
<b>Information on the local regulatory environment</b>	<ul style="list-style-type: none"> <li>LM Officials rate access to regulatory information and ease of understanding development procedures as good in Nongoma.</li> <li>Municipal by-laws are made available on Nongoma's webpage, however.</li> <li>Some private businesses have expressed difficulty in obtaining this information. It is evident that the LM needs to be more pro-active in terms of assisting the public in navigating the LM's various information channels and ensuring that documentation is up to date.</li> </ul>	
<b>Regulation of business:</b>	<ul style="list-style-type: none"> <li>The strengths and weaknesses outlined below are deduced from the private business surveys:</li> </ul>	
	<b>Strengths</b> <ul style="list-style-type: none"> <li>Access to business premises</li> <li>Good provision and connection of Water</li> <li>Good provision and connection Electricity</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>High Rates</li> <li>Slow zoning processes</li> <li>Cost of business premises</li> <li>Difficult access to business permits</li> <li>Lack of access to information hinders the promotion of investment especially those outside the municipality both nationally and internationally. There is nowhere to get information about investment even on the municipality website.</li> <li>There is also fragmentation in the processes of getting business licences as Department of Economic Planning and Development is also involved.</li> <li>There are no set timeframes of the processes involved.</li> <li>Access to land is also a real challenge in the Municipality especially for big developers.</li> </ul>
	<ul style="list-style-type: none"> <li>Perceptions of high rates are largely linked to perceptions of poor service provision.</li> </ul>	
<b>Infrastructure and services:</b>	<b>Type</b>	<b>Description</b>
	<ul style="list-style-type: none"> <li>State of the CBD</li> <li>Electricity</li> </ul>	<ul style="list-style-type: none"> <li>The state of the CBD ranges from 'fair' to poor' according to business surveys</li> <li>There is no electricity master plan and therefore long-term planning is not in place from a capacity point of view</li> </ul>

	– Water	– Water supply infrastructure varies between areas, with some being better serviced than others. The majority of the dense, scattered settlements around Nongoma CBD have relatively good water services provision. However, the rural areas are not well serviced.
	– Road Network	– Nongoma is well-connected in terms of the overall spatial spread of roads in the LM. Majority of roads especially in rural nodes are currently gravel, however, which limits development prospects in certain areas.
	– Railway	– The railway infrastructure is not operational
	– Waste Collection	– The municipality provides waste collection services in its main towns, which means that outskirts areas (the villages) are not covered in terms of waste collection.
	– Telecommunications	– Nongoma is supplied with the necessary telecommunication infrastructure, such as coverage by cell phone service providers and Telkom. However, in the furthest rural northern part of the municipality, telecommunication network coverage is poor.
	– Police services	– Crime is one of the key issues facing Nongoma Municipality. It occurs in different formats with burglary, car hijacking and assault being the most common forms of crime and a banking facility located in major nodes.
<b>Municipal business support services</b>	<ul style="list-style-type: none"> <li>– Businesses rate municipal support services poorly in Nongoma citing 'Unnecessary red tape', 'No point of contact' and 'Lengthy Approval processes as most prominent hindrances.</li> <li>– No structured interventions have been made to address these issues.</li> </ul>	
<b>Facilitating stakeholder engagement and business networking support</b>	<ul style="list-style-type: none"> <li>– Limited engagement between local businesses with the municipality as a constraint to further investment.</li> <li>– Apart from sector specific associations from agriculture, tourism and businesses, forums for networking and engagement are minimal.</li> </ul>	

## 8. INVESTMENT AFTERCARE

The following table presents a summary of investor aftercare services as perceived by local businesses and highlights the current framework for investment aftercare in the LM.

Table 16: Investment Aftercare in Nongoma LM, Insingo Projects 2019

Method	Description
Understanding investors needs and perceptions	– Nongoma's LED Strategy includes a needs analysis of local businesses.
Relationship and collaboration with existing investors	– The relationship between existing investors and the LM is limited or none existent.
Problem solving with investors	– The ability of the LM to assist in problems solving is limited
Information regarding changes in regulatory measures/ costs	– Difficulty in accessing required information around business regulations.

## 9. BUSINESS RETENTION AND EXPANSION

No Business Retention and Expansion Strategy has been developed in Nongoma. The municipality does, however, engage in this function informally when it is within their power to provide support.

## 10. ANALYSIS AND EVALUATION

The following table provides a summary of the factors that support and hinder investment in the local environment. An overall rating from one to five of the LM for each component affecting the investment environment is also provided; a description of these ratings is provided below.

Table 17: Factors that enable or hinder investment in Nongoma LM, Insingo Projects 2019

Factors enabling investment	Factors hindering investment
<ul style="list-style-type: none"> <li>– Existence of a good relationship between local officials and the TIKZN as a promoting agency for Nongoma.</li> <li>– Nongoma is well-connected in terms of the overall spatial spread of roads in the LM.</li> <li>– Competitive economic sectors such as tourism, wholesale and retail.</li> <li>– Border location of Municipality.</li> <li>• Nongoma is supplied with the necessary telecommunication infrastructure,</li> </ul>	<ul style="list-style-type: none"> <li>– There is no unit or staff member allocated specifically to marketing and advertising investment opportunities in Nongoma and no communication or marketing strategies exist.</li> <li>– There is no electricity master plan and therefore long-term planning is not in place from a capacity point of view.</li> <li>– Municipal support services are limited in Nongoma citing 'Unnecessary red tape', 'No point of contact' and 'Lengthy Approval processes as most prominent hindrances.</li> <li>– Limited relationship between existing investors and the LM.</li> </ul>

## 11. INFORMAL ECONOMY POLICY

Through its LED Unit (Business Regulations Section), the municipality is also currently reviewing its Informal Economy Policy. Along with the LED Strategy, the policy is due for approval by the Council.

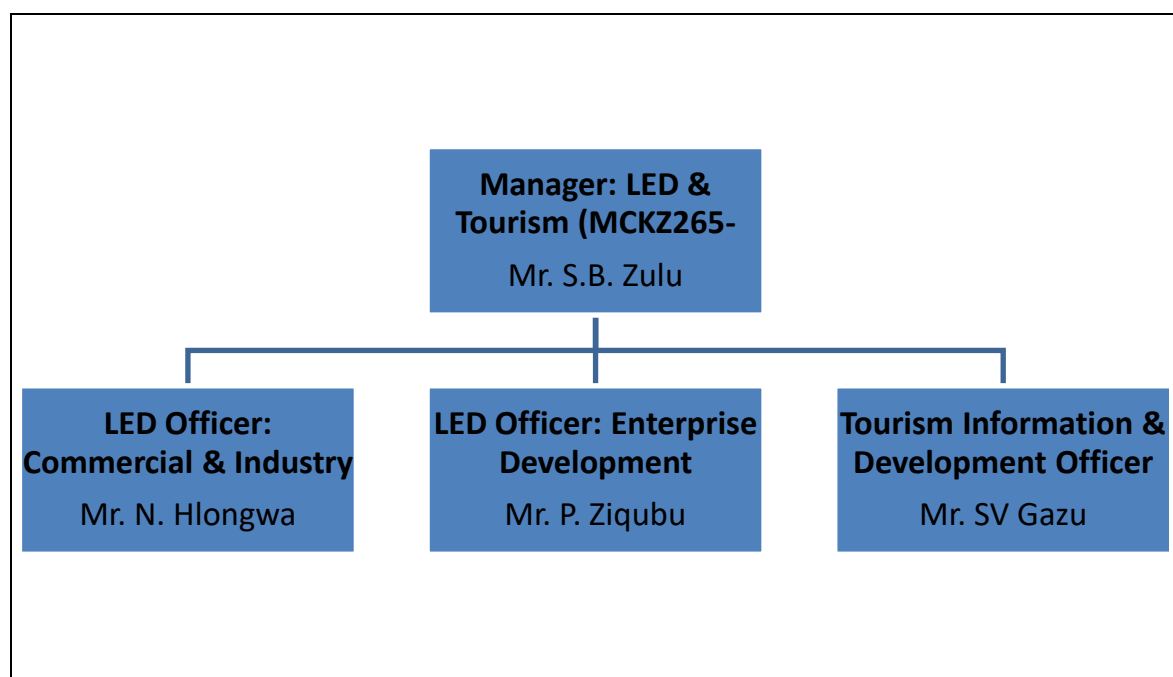
As part of soliciting stakeholders input into the policy, the policy has been presented in the Informal Economy Chamber. It was also presented to competency Units which include Traffic, Peace Officers, Fire Fighters, Planners, Building Inspectorate, and Environmental Health ZDM. A request has been sent to department of Art and Culture for policy to be translated into Isizulu version.

The following Informal Economy-related policies and by-laws are awaiting council adoption:

- Informal Economy By-laws,
- Penalty Payments Schedule
- Nongoma Informal Trading Policy
- Nongoma Informal Street Trading By-law;
- Lease Agreement for Informal Traders

### 3.6.1.4. HUMAN RESOURCES CAPACITY TO IMPLEMENT LED STRATEGY

The Organogram for the LED/Tourism is herein outlined:



While it has been indicated above that the municipality is currently reviewing its LED Strategy, Agricultural Strategy and Tourism Sector Plan. The current organizational setup indicates that the municipality would be unable to implement fully, all these plans. In its current state, the LED Unit of the municipality is functional but under resourced and understaffed.

Other crucial sectors under the LED Department such as the, Agriculture, SMME Development do not have dedicated staff to oversee their operations.

#### **3.6.1.5. LED INSTITUTIONAL ARRANGEMENTS**

At a local municipal level, Nongoma municipality is responsible for facilitation of LED/Tourism Forum. The forum is functional and sits quarterly. The District also participates in the District LED/Tourism forum, though it is not functional.

### 3.6.1.5. LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS

An analysis of the current Strengths, Weaknesses, Opportunities and Threats (S.W.O.T.) faced by the Nongoma Local Economic Development Sector is herein presented:

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>– The area is located in close proximity to the Zulu Kingdom which makes it attractive for tourism (local, international)</li> <li>– Existing Tourism Strategy</li> <li>– Revenue enhancement initiatives are in place</li> <li>– Nongoma Chamber of Commerce and Industries is set up</li> <li>– Preservation of Zulu culture and rural nature of municipality</li> <li>– The area is located in close proximity to the Zulu Kingdom which makes it attractive for tourism (local, international);</li> <li>– The municipality has diversified skilled labour force base to enable growth and development;</li> <li>– Airstrip at eBukhalini that services the flight needs of the region;</li> <li>– Good Climatic weather that favors most agricultural crops;</li> <li>– Existing Tourism Strategy</li> <li>– Revenue enhancement initiatives are in place</li> <li>– Nongoma Chamber of Commerce and Industries is set up</li> <li>– Preservation of Zulu culture and rural nature of municipality</li> <li>– Rainfall average of 1000mm p.a.</li> <li>– The Municipality has a potential for developing the local economic activities through its indigenous wealth in the form of agricultural farming and tourism;</li> <li>– Review of Existing LED Strategy</li> </ul>	<ul style="list-style-type: none"> <li>– Lack of supporting infrastructure in areas with latent tourism potential</li> <li>– Lack of Recreational facilities (parks, reserves, etc.)</li> <li>– Limited funding to finance sector development</li> <li>– Lack of compliant and effective tourism information office</li> <li>– Unavailability of skills development centre</li> <li>– Lack of updated information on the key economic sectors within the municipality and the region (for business tourism purposes)</li> <li>– Lack of Tourism Marketing communication strategy;</li> <li>– Poor involvement and benefits in tourism for the local communities;</li> <li>– Poor public road infrastructure, facilities and pedestrian access to enable service delivery and economic development Inadequate provision of essential services waste collection;</li> <li>– Lack of library service infrastructure;</li> <li>– Unavailability of skills development centre</li> <li>– Lack of unified marketing strategy which limit economic development;</li> <li>– Lack of an economic hub or development centre to facilitate economic development;</li> <li>– Tedious process for land acquisition by potential investors;</li> <li>– Unavailability of skills development centre</li> </ul>
OPPORTUNITIES	THREATS

<ul style="list-style-type: none"> <li>- Nongoma being the seat of the Zulu Kingdom</li> <li>- Enyokeni cultural hub development</li> <li>- Thriving informal trade in Nongoma town as well as Mona Market</li> <li>- High resilient population;</li> <li>- Proximity to Swaziland,</li> <li>- Mozambique and Kruger National Park;</li> <li>- Potential to multi-cultural indigenous tourism points;</li> <li>- Roads R66,R69 (LINKING Nongoma with Richards Bay, Durban, Vryheid and Pongola</li> <li>- Local Economic Development Agency may be set up to promote social economic development in Nongoma thereby dealing with the scourge of unemployment, poverty, crime, inequality, and encouraging economic participation / inclusion;</li> <li>- Strategic location of the municipality for export opportunity</li> <li>- Good working relations with Traditional leaders</li> <li>- Untapped Market, Nongoma Local Municipality has not reached its full potential since it has a lot of untapped products and services including minerals, agriculture, tourism services etc.</li> <li>- Untapped Minerals which needs exploration application for prospecting Rights in particular Coal.</li> </ul>	<ul style="list-style-type: none"> <li>- Shortage of skills and high level of illiteracy;</li> <li>- High rate of unemployment and poverty</li> <li>- Congested town centre &amp; lack of parking space;</li> <li>- Poor investor confidence and lack of investment promotion initiatives;</li> <li>- Poor participation of youth and women in development programmes;</li> <li>- Lack of reasonably strong infrastructure linking uPhongolo and Richards Bay;</li> <li>- Environment degradation;</li> <li>- Rural road infrastructure deficit;</li> <li>- Prevalence of HIV / AIDS pandemic;</li> <li>- Youth substance abuse;</li> <li>- Inadequate funding for agricultural , tourism projects;</li> <li>- Slow National GDP growth;</li> <li>- Uncoordinated land use;</li> <li>- High Crime Rates e.g. Theft of livestock at pound;</li> <li>- Geographical location of the Municipality (Deeply rural);</li> <li>- No recreational facilities;</li> <li>- Shortage of skills and high level of illiteracy;</li> <li>- Overdependence on Government Grants;</li> <li>- Global Warming and Climate Change;</li> <li>- Unsustainable farming practices resulting in soil erosion, veld deterioration and degradation.</li> </ul>
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### 3.6.2. SOCIAL DEVELOPEMENT

#### 3.6.2.1. WARD-BASED PLANNING

The municipality through its Public Participation office has compiled Ward-based plans wherein ward priority issues have been identified and elevated into the IDP. The following table depicts 3 priority issues identified per ward within Nongoma municipality.

WARD	PRIORITY	AREA	WARD	PRIORITY	AREA	WARD	PRIORITY	AREA
<b>WARD 1:</b>	Access to Water-Water pump	Vungama	<b>WARD 2:</b>			<b>WARD 3:</b>	Access to Water	Entire Ward
	Fencing of agricultural land	eNtweni					Local Economic Development	koMbuzi
	Broadband	Entire ward					Broadband	Entire Ward
<b>WARD 4:</b>	Electricity	Manqeleni	<b>WARD 5:</b>	Electricity	eMhlane KwaToyisa KwaSinganda kwaBhelenja Khetha Nkomo New Town	<b>WARD 6:</b>	Road Infrastructure and Bridge	Bazini Canaan KwaMbongi eMcibilindi
	Access to Water	Entire ward		Access To water	eMaphuphusi KwaJuba KwaToyisa eNdimhlene Nhlebelala		Access to Water	Mathe eSiphambi ERingini
	Local Economic Development	Ntanz Manqeleni Masundwini eMbonjeni Thokoza Okhahlambeni		Housing	KwaSinganda		Local Economic Development	Bazini
<b>WARD 7:</b>	Road Infrastructure	KwaNtungunye KwaGwebu	<b>WARD 8:</b>	Road Infrastructure	Bhekumthetho to KwaDee	<b>WARD 9:</b>	Access to Water	All areas in ward Nine
	Access to Water	KwaGwebu KwaNtungunye		Access to Water	eSikhumalweni		Electricity	Lindizwe
	Local Economic Development	eSinkonkonko eMphola		Bridge	Nkugwini		Community and Recreational Facilities	eMkhondo Denge eZinhlambeni
<b>WARD 10:</b>	Electricity	KwaZombode	<b>WARD 11:</b>	Road Infrastructure	Macekaneni	<b>WARD 12:</b>	Bridge & Access to water	KwaQuqu eMacekaneni
	Access To Water	KwaZombode		Access to	Usuthu Tribal		Local Economic	KwaSiboya

WARD	PRIORITY	AREA	WARD	PRIORITY	AREA	WARD	PRIORITY	AREA
				Water & Sanitation	Authority jurisdiction Phezukomkhono Macekaneni		Development	Dindela Matheni Matshamhlophe eHlathini Ngolweni eNzama Gugothandayo Gwaqaza
	Local Economic Development	eKholweni KwaHabiyanene KwaZombode KwaMasombuka KwaMagutshwa		Local Economic Development	Dabhazi eBuntwini Bungwini Gwaqaza KwaMpondo oThinsangu		Housing	Entire ward twelve
<b>WARD 13:</b>	Electricity	Gobamagagu gwaqaza	<b>WARD 14:</b>	Electricity	KwaMusi eVuna Nsimbini	<b>WARD 15:</b>	Road Infrastructure	Phenyane uMaNkulumane Mhambuma OSuthu Hlokolo
	Access to Water	eZimpisini Mbokodeni		Local Economic Development	eVuna Onyanga		Bridge & Access to Water	Pheyane KwaNsonyane School
	Local Economic Development	Nyengelezi eMbokodweni KwaNkulu eKubuseni Gomondo Machibini MaShenge eZilonyeni KwaZungu eMahhayoyo KwaNkulu		Community Facilities	KwaDayeni KwaMusi		Local Economic Development	Phenyane uMaNkulumane Mhambuma
<b>WARD 16:</b>	Access to Water	Nhlophenkulu eMoyeni Khenana	<b>WARD 17:</b>	Access to Water	Lowanakhula	<b>WARD 18:</b>	Road Infrastructure	Kwazimisele KwaMagomba Kwamememe KwaZibuyisele
	Local Economic Development	Nhlophenkulu eMoyeni KwaZiphethe		Local Economic Development	eBhuqweni Majomela		Access to Water	Kwazimisele KwaMaDuma Cekezeni eKubusele KwaMagomba

WARD	PRIORITY	AREA	WARD	PRIORITY	AREA	WARD	PRIORITY	AREA
								Bangamaye Sulabasha
	Community Facilities	Nhlophenkulu		Skills Development			Community Facilities	Mzweni
<b>WARD 19:</b>	Road Infrastructure	White City, Dilini and Nongoma Town	<b>WARD 20:</b>	Road Infrastructure	eKucekezeni eKuzweni to Menyama eMagedeni eMcebo eMeme to KwaGehlane White City Ngxongwane	<b>WARD 21:</b>	Road Infrastructure	KwaMinya
	Access to Water	Bus rank stop		Electricity	eMcebo		Access to Water	KwaMinya
	Land Use Management	Town		Access to Water	eKucekezeni eMcebo Ngxongwane		Skills Development	

### **3.6.2.2. Nation Building & Social Cohesion**

The following activities within the Nongoma Municipal Area contribute towards nation building and social cohesion:

- Sports Activities :
- Local Mayoral Cup
- District Championship
- Local Marathon
- Nongoma League Championship
- Women's Dialogue
- Youth and Sports Indaba
- Disability Indaba
- Nongoma municipal Prayer Day

### **3.6.2.3. EXPANDEND PUBLIC WORKS PROGRAMME (EPWP)**

Expanded Public Works Programme (EPWP) is not well-coordinated in the municipality. There is no proper institutional arrangement to ensure proper coordination of EPWP programme. EPWP programme is housed within Technical services. While the municipality has EPWP-related projects implemented by other municipal departments; there is no reporting done on those projects, and it is only Technical Services that reports its EPWP-related projects to Public works. As such the incentive grant received by the municipality is utilized only by Technical Services, thereby excluding other EPWP sectors that can be implemented outside Technical Services such as Environment and Culture sector.

### 3.7. FINANCIAL VIABILITY AND MANAGEMENT

The Department of Financial Services focusses on providing support to all divisions within the Municipality to comply with MFMA, Treasury & SCM Regulations, DORA, Generally Recognized Accounting Practice (GRAP) standards, all other relevant Local Government prescripts to ensure clean financial administration.

#### 3.7.1. Audit Opinions

The municipality has regressed for an unqualified audit opinion in 2016/2018 FY to an adverse opinion in 2017/2018 FY.

AUDIT OPINION	FINANCIAL PERIOD
Unqualified Audit Opinion	2013/14
Unqualified Audit Opinion	2014/15
Unqualified Audit Opinion	2015/16
Unqualified Audit Opinion	2016/17
Adverse Audit Opinion	2017/18

Management Action Plan, its progress toward the implementation of the plan on the Auditor General's audit opinions is attached.

#### 3.7.2. Operating Revenue and Expenditure Framework

For the Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- ✚ National Treasury's guidelines and macroeconomic policy;
- ✚ Growth in the Municipality and continued economic development;
- ✚ Efficient revenue management, which aims to ensure an annual collection rate of not less than 70% for property rates and other key service charges;
- ✚ Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- ✚ The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- ✚ Increase ability to extend new services and recover costs;
- ✚ The municipality's Indigent Policy and rendering of free basic services; and
- ✚ Tariff policies of the Municipality.

**Table 18: Summary of Revenue classified by main revenue source**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 medium term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Revenue By Source											
Property rates	2	15 792	18 230	19 507	21 858	21 858	21 858	21 858	23 230	24 624	26 102
Service charges - refuse revenue	2	1 654	1 685	1 723	1 904	1 904	1 904	1 904	2 018	2 140	2 268
Rental of facilities and equipment		121	60	167	234	234	234	234	248	263	279
Interest earned - external investments		1 138	1 814	2 444	1 831	1 831	1 831	1 831	1 940	2 057	2 180
Interest earned - outstanding debtors		1 897	–		2 979	1 200	1 200	1 200	1 590	1 685	1 787
Fines, penalties and forfeits		588	2 401	268	274	306	306	306	324	344	364
Licences and permits		625	768	869	838	838	838	838	888	941	998
Transfers and subsidies		101 320	129 307	124 758	131 847	131 847	131 847	131 847	142 909	154 427	166 212
Other revenue	2	372	730	2 676	1 198	1 746	1 746	1 746	1 273	1 346	1 427
Total Revenue (excluding capital transfers and		123 507	154 996	152 413	162 963	161 764	161 764	161 764	174 422	187 827	201 616

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue transfers recognized forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise 15 per cent of the total revenue mix. In the 2018/19 financial year, revenue from rates and services charges totalled R25.6 million.

The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

Property rates is the second largest revenue source totalling 13 per cent or R24.6 million rand and increases to R25.1 million by 2020/21. The third largest sources is 'other revenue' which consists of various items such as income received from permits and licenses, interest on investments, fines, rentals of facilities building plan fees and other fees. The Municipality has been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Operating grants and transfers totals R142.9 million in the 2018/19 financial year and increases to R154.4 million and R166.2 in 2019/20 and 2020/21 respectively.

**Table 19: Operating Transfers and Grants Receipts**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 medium term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		100 009	128 397	123 980	131 076	131 076	131 076	140 318	152 741	164 425
Local Government Equitable Share		96 234	124 217	121 046	128 137	128 137	128 137	136 733	150 771	162 455
Finance Management		1 800	1 800	1 825	1 900	1 900	1 900	1 970	1 970	1 970
Municipal Systems Improvement		934	930	—	—	—	—	—	—	—
EPWP Incentive		1 041	1 450	1 109	1 039	1 039	1 039	1 615	—	—
Provincial Government:		672	850	738	771	771	771	2 591	1 686	1 787
Provincialisation of Libraries		535	553	559	583	583	583	838	880	924
Municipal Assistance Programme		126	170	179	188	188	188	753	806	863
Sports Fields Maintenance		11	127	—	—	—	—	—	—	—
Schemes Support Programme		—	—	—	—	—	—	1 000	—	—
Total Operating Transfers and Grants	5	100 681	129 246	124 718	131 847	131 847	131 847	142 909	154 427	166 212

### **3.7.3. Capital Projects Indicated in Order of Prioritization and Project Duration**

Projects identified as either “New” or “Ongoing”

The Municipality’s capital projects are indicated in order of prioritization and duration of each project. Projects are indicated as either new or ongoing. The Capital Budget is allocated towards renewal of existing assets in accordance with Circulars 55 and 66 of the Municipal Finance Management Act.

Capital Expenditure Allocation	Ward	Budget 2018/19	Budget 2019/20	Budget 2020/21	Source of Funds	Status of the Projects
Ndema Community hall	ward 2	400,000			MIG	incomplete
sigubudu community hall	ward12	2,100,000	1,300,000		MIG	incomplete
masundwini community hall	ward 10	17,154			MIG	complete
Ekubuseni Creche	ward13	800,000	111,843		MIG	incomplete
Emzweni community hall	ward18	1,200,000	251,444		MIG	incomplete
Ophaphasi hall	ward5	1,300,000	800,000		MIG	incomplete
Ndololwane crèche	ward6	800,000	2,000,000		MIG	incomplete
Mphuphusi sportsfield	ward5	1,000,000	601,717		MIG	incomplete
Qedumona Sportsfield	ward11	2,200,000	120,000		MIG	incomplete
Nkukhwini sportsfield	ward1	312,26			MIG	complete
Mona sportsfield	ward4	4,000,000	884,810		MIG	incomplete
Mcakwini to Manyoni gravel road	ward 1	164,643			MIG	complete
Qondile to Kwajuba gravel road and low level bridge	ward 3	5,000,000	3,100,000		MIG	complete
Nzondwane to Ndongande gravel road&low level bridge	ward3	175,485	4,000,000		MIG	incomplete
nkolweni gravel road	ward10	1,800,000	4,383.		MIG	incomplete
kwamatsheketshe gravel road	ward2	1,300,000	121,265		MIG	incomplete
buxedene to mission gravel road	ward2	2,600,000	1,266		MIG	complete
mankulumane gravel road	ward18	1,300,000	973,811		MIG	incomplete
bhuqwini gravel road	ward17	1,000,000	1,134,610		MIG	incomplete

Esikhaleni gravel road	ward 20	1,000,000			MIG	incomplete
Matshamhlophe gravel road	ward12		1,000,000		MIG	incomplete
Emaye hall and creche	ward14		1,000,000		MIG	incomplete
Foma gravel road	ward15		1,000,000		MIG	incomplete
Esikhaleni roads(upgrade)	ward9		2,000,000		MIG	incomplete
Nqokotho hall	ward16		1,500,000		MIG	incomplete
Siyondlo gravel road(upgrade)	ward21		2,000,000		MIG	incomplete
Gobamagagu road(upgrade)	ward19		2,000,000		MIG	incomplete
Kwansele creche	ward14		2,249,049		MIG	incomplete
street lights(in town)	ward19		1,625,149		MIG	incomplete
Esigangeni road	ward 20		500,000		MIG	incomplete
mangomhlophe sportsfield	ward15		3,000,000		EQS	incomplete
Mfanela road and cause way	ward 19		3,000,000		EQS	incomplete
Mcakwini / mkukhwini electrification	ward1		4,029,000		INEP	incomplete
ebuhleni electrification	ward2		2,720,000		INEP	incomplete
dabhazi electrification	ward11		1,251,000		INEP	incomplete
Sidinsi/khenani electrification	ward5	2,000,000	-		INEP	incomplete
Phumanyova electrification	ward5	1,250,000			INEP	incomplete
Sqonnqo e4/Xumu electrification	ward5	1,250,000			INEP	incomplete

Toyisa electrification	ward6	1,250,000			INEP	incomplete
Khethankomo electrification	ward6	1,250,000			INEP	incomplete
ekubuseni electrification	ward2	4,396,000			INEP	incomplete
Vungama electrification	ward1	3,052,000			INEP	incomplete
Macekaneni electrification	ward 12	540,000			INEP	incomplete

#### 3.7.4. Investment Register

Nongoma Municipality has an investment register that provides details of all investments made by the municipality to financial institutions. The investment register which gives an outline of the funding source linked to the investment register. The Investment Register is updated on a monthly basis. The sources of funding of the various capital projects are adequately covered in the capital budget of the Municipality. (A copy of the Investment Register is attached hereto for ease of reference).

#### 3.7.5. Social and Economic Redress via indigent management

Nongoma Municipality's indigent policy has been drafted in accordance with the national guidelines and benchmarked to other municipalities. The policy is reviewed annually and approved by Council.

The social packages are exhaustive in terms of the approved indigent policy. The register is renewed through the equitable share funding and other alternate sources. This is frequently anticipated in terms of indigent and affordability to service the indigent communities in a three year forecast. The programme is aligned to priorities of NDP i.e. those of addressing social and employment issues within Nongoma as well as the municipality's long term goals of eradicating poverty in the communities. To qualify to register in the indigent register of the municipality, the household income must be less than two old pension subsidy combined. (A copy of indigent policy is attached)

The number of registered indigent households in the municipality indigent register is **494** households. The register is reviewed on yearly bases.

The municipality is providing free basic electricity to the above mentioned households on monthly bases through Eskom. The budget allocation to provide such service is as following:

Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21
R1 500 000	R1 550 000	R 2050 000	R 2 157 000

#### 3.7.6. Revenue Protection

Nongoma Municipality is enacting the issue of financial sustainability serious. This is evident through the approval of credit control by-laws and credit control policy. The implementation of the policy warranted the municipality to ensure that collection from all

debtors is made. Due to capacity constraints within the municipality, outsourcing the debt management to the independent attorney to ensure swift collection from consumers was the better option for the municipality. The following table indicates the total outstanding debtors per category:

## 1. 2019/20 Financial Year

**Table 20: Total outstanding debtors per category**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total -
Receivables from Non-exchange Transactions - Property Rates	1,020,368	-57,388	469,637	262,459	-1,546	439,808	5,854,319	21,941,476	29,929,132
Receivables from Exchange Transactions - Waste Management	320,194	-10,655	266,807	121,100	-3,336	123,736	809,172	10,514,187	12,141,206
Receivables from Exchange Transactions - Property Rental Debtors	25,959	0	2,921	1,461	0	3,461	9,977	157,368	201,146
Interest on Arrear Debtor Accounts	614,209	-419	495,164	297,773	0	316,318	2,003,437	10,614,663	14,341,146
<b>Total By Income Source</b>	<b>1,980,730</b>	<b>-68,462</b>	<b>1,234,529</b>	<b>682,793</b>	<b>-4,882</b>	<b>883,323</b>	<b>8,676,906</b>	<b>43,227,693</b>	<b>56,612,630</b>
Debtors Age Analysis By Customer Group									
Organs of State	727,879	-9,815	499,253	354,663	0	554,666	6,560,937	20,933,383	29,620,966
Commercial	968,664	-56,950	457,616	200,609	-2,700	195,036	1,306,883	11,583,093	14,652,251
Households	113,566	-1,239	114,039	49,990	-2,097	52,476	326,851	4,365,560	5,019,145
Other	170,621	-458	163,621	77,531	-85	81,146	482,235	6,535,783	7,523,649
<b>Total By Customer Group</b>	<b>1,980,730</b>	<b>-68,462</b>	<b>1,234,529</b>	<b>682,793</b>	<b>-4,882</b>	<b>883,323</b>	<b>8,676,906</b>	<b>43,417,819</b>	<b>56,802,755</b>

The below table indicates the debtors outstanding for 2017/18 and 2016/17 financial years as per audited outcome.

**Table 21: Debtors Outstanding for 2017/18 & 2016/17 financial years as per audited outcome**

	2017/18	2016/17
<b>Resident</b>		
Current (0-30 days)	191 739	(129 660)
31-60 days	173 387	(67 634)
61-90 days	187 541	9 092
91-120 days	179 387	(124 472)
121-365 days	163 448	(46 900)
365 Days	13 331 275	(941 367)
<b>Total</b>	<b>14 226 777</b>	<b>1 300 941</b>
<b>Industrial/ Commercial</b>		
Current (0-30 days)	745 780	400 787
31-60 days	394 279	625 650
61-90 days	359 193	167 442
91-120 days	219 841	361 526
121-365 days	198 867	402 675
365 Days	11 559 780	21 836 821
<b>Total</b>	<b>13 477 740</b>	<b>19 878 741</b>
<b>National and Provincial government</b>		
Current (0-30 days)	314 188	971 696
31-60 days	304 011	888 262
61-90 days	304 872	965 498
91-120 days	304 895	502 663
121-365 days	294 759	958 660
365 Days	22 366 789	18 155 520
<b>Total</b>	<b>23 889 604</b>	<b>22 442 299</b>
<b>Total Outstanding Debtors</b>		

Current (0-30 days)	1 251 707	441 249
31-60 days	871 677	194 978
61-90 days	851 606	807 148
91-120 days	704 212	16 665
121-365 days	657 074	509 085
365 Days	47 257 844	39 050 974
Total Outstanding Debtors	51 594 120	41 020 099

### 3.7.7. Municipal tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

### 3.7.8. Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate a 30 per cent rebate will be granted on all residential properties (including state owned residential properties). 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;

### 3.7.9. Financial Management – SCM

Nongoma Municipality has a Supply Chain Management (SCM) Unit in place the objective of which is to address the demands, acquisitions, logistics, performance risks, and disposals to ensure that the SCM Policy together with the applicable legislations are fully complied with. The 2019/2020 Procurement Plan will be adopted with the 2019/2020 Budget. The Procurement Plan is aligned with the approved budget as well as the Score Card and the Departmental Service Delivery Plans (SDBIPs) to ensure that projects are executed as planned.

The SCM Unit is fully functional and the bid committees meet as regularly (when there are tenders advertised). The SCM unit ensures that all tenders advertised are awarded within 2

months after the advert. During 2018/19 financial, the SCM unit has no major challenges and there are no delays in awarding of tenders.

In dealing with the assessment of whether or not the primary objectives of service delivery are met the Supply Chain Management ensures a cohesive approach. Management includes statements on the functionality of Bid Committees.

Members of the SCM committees are as follows

**Table 22: Nongoma SCM Committees**

Bid Specification Committee (BSC)	Bid Evaluation Committee (BEC)	Bid Adjudication Committee (BAC)
Accountant SCM – Chairperson	SCM Manager – Chairperson	CFO- Chairperson
Assistance Manager Skills Development	Human Resources Manager	SM: Technical Services
Technician	Manager Budget	SM: Corporate Services
Manager Council Support	PMU Manager	Community Services Manager
	Asset Accountant	

The reviewed SCM Policy for 2019/2020 has made a provision for the disabled to qualify for tenders. Nongoma Municipality applies strict supply chain management principles in advertising and awarding of tenders. There are strict controls in place that ensure that the Municipal Financial Management Act is adhered to and complied with so as to prevent or avoid the potential of any fraudulent activities from occurring.

The Municipality will ensure that business will not be conducted with entities owned by individuals that are employed by the state. Management of the municipality ensures that members of the bid committees and all employees are well acquainted with the changes in legislations related to SCM from time to time.

### **3.7.10. ASSET MANAGEMENT**

Table 24 provides an overview of municipal capital allocations to building new assets as well as spending on repairs and maintenance by asset class.

National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality does not have major assets that need to be renewed.

The MIG and electricity projects capital projects that are being undertaken at this stage are fairly new and will probably not be renewed during the current MTREF. It is for the same reason that the budget for repairs and maintenance is not 8% of the net asset value of the municipality's property, plant and equipment.

**Table 23: Asset Management**

**KZN265 Nongoma - Table A9 Asset Management**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<u><b>Total New Assets</b></u>	1	52 659	37 528	46 706	64 089	63 709	63 709	55 206	44 318	52 966
<i>Roads Infrastructure</i>		44 423	30 068	39 393	43 378	43 378	43 378	39 786	31 873	33 494
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		7 523	6 000	2 279	15 000	15 000	15 000	15 000	12 000	12 000
<b>Infrastructure</b>		<b>51 945</b>	<b>36 068</b>	<b>41 672</b>	<b>58 378</b>	<b>58 378</b>	<b>58 378</b>	<b>54 786</b>	<b>43 873</b>	<b>45 494</b>
Community Facilities		-	-	-	4 487	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	<b>4 487</b>	-	-	-	-	-
Licences and Rights		-	-	-	-	2 094	2 094	-	-	7 000
<b>Intangible Assets</b>		-	-	-	-	<b>2 094</b>	<b>2 094</b>	-	-	<b>7 000</b>
Computer Equipment		148	350	145	-	162	162	290	307	326
Furniture and Office Equipment		382	569	4 890	989	125	125	130	138	146
Machinery and Equipment		183	41	-	235	-	-	-	-	-
<b>Transport Assets</b>		-	500	-	-	<b>2 950</b>	<b>2 950</b>	-	-	-
<i>Roads Infrastructure</i>		44 423	30 068	39 393	43 378	43 378	43 378	39 786	31 873	33 494
<i>Electrical Infrastructure</i>		7 523	6 000	2 279	15 000	15 000	15 000	15 000	12 000	12 000
<b>Infrastructure</b>		<b>51 945</b>	<b>36 068</b>	<b>41 672</b>	<b>58 378</b>	<b>58 378</b>	<b>58 378</b>	<b>54 786</b>	<b>43 873</b>	<b>45 494</b>
Community Facilities		-	-	-	4 487	-	-	-	-	-
<b>Community Assets</b>		-	-	-	<b>4 487</b>	-	-	-	-	-
Licences and Rights		-	-	-	-	2 094	2 094	-	-	7 000
<b>Intangible Assets</b>		-	-	-	-	<b>2 094</b>	<b>2 094</b>	-	-	<b>7 000</b>
Computer Equipment		148	350	145	-	162	162	290	307	326
Furniture and Office Equipment		382	569	4 890	989	125	125	130	138	146
Machinery and Equipment		183	41	-	235	-	-	-	-	-
<b>Transport Assets</b>		-	500	-	-	<b>2 950</b>	<b>2 950</b>	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		<b>52 659</b>	<b>37 528</b>	<b>46 706</b>	<b>64 089</b>	<b>63 709</b>	<b>63 709</b>	<b>55 206</b>	<b>44 318</b>	<b>52 966</b>

### 3.7.11. REPAIRS AND MAINTANANCE

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

**Table 24: Operational Repairs and Maintenance**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R thousand</b>	<b>1</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		3 151	–	–	–	–	–	1 100	1 166	1 236
Roads Infrastructure		3 151	–	–	–	–	–	1 100	1 166	1 236
Roads		3 151						1 100	1 166	1 236
<b>Other assets</b>		–	–	–	1 500	1 000	1 000	700	742	787
Operational Buildings		–	–	–	1 500	1 000	1 000	700	742	787
Municipal Offices					1 500	1 000	1 000	700	742	787
<b>Intangible Assets</b>		–	–	–	648	648	648	–	–	–
Licences and Rights		–	–	–	648	648	648	–	–	–
Unspecified					648	648	648			
<b>Computer Equipment</b>		–	–	–	107	–	–	–	–	–
Computer Equipment					107					
<b>Furniture and Office Equipment</b>		588	–	–	–	–	–	–	–	–
Furniture and Office Equipment		588								
<b>Machinery and Equipment</b>		–	–	–	2 261	1 800	1 800	130	138	146
Machinery and Equipment					2 261	1 800	1 800	130	138	146
<b>Transport Assets</b>		767	–	–	–	–	–	700	742	787
Transport Assets		767						700	742	787
<b>Total Repairs and Maintenance</b>	<b>1</b>	<b>4 506</b>	<b>–</b>	<b>–</b>	<b>4 516</b>	<b>3 448</b>	<b>3 448</b>	<b>2 630</b>	<b>2 788</b>	<b>2 955</b>

The budget for repairs and maintenance 2018/19 financial year is less than the norm of 8%. This is as a result of previous commitment made by the municipality to the community. The allocation for 2019/20 financial year has been slightly increased address the shortfall. This increase will be gradually year on year to ensure that the municipality meets the backlogs in repairs and maintenance.

### 3.7.12. Financial Viability/ Sustainability

The following ratios indicate the financial viability of the municipality

Name of Ratio	Formula	2018/19 Projected	2017/18 Actual	2016/17 Actual
Cost Coverage ratio	(Cash & Cash Equivalents- unspent conditional Grants- overdraft)+short term investment/ (monthly fixed operational expenditure – Non cash items)	0.02 months Treasury norm 1-3 months	0.0002 Months Treasury Norm 1-3 months	0.02 months treasury norm 1-3 months
Current Ratio	Current Asset/ Current Liabilities	1.88:1 Treasury norm 1.5-2:1	1.64:1 Treasury norm 1.5-2:1	1.11:1 Treasury norm 1.5-2:1
Capital Expenditure to total expenditure	Capital Expenditure/ Total Expenditure	22%	21%	21%
Debt to Revenue	(Overdraft +current finance lease obligation +non-current lease +Long term loan/ (total operational revenue – Operational conditional grants)	0%	2%	2%
Collection Ratio	(Gross debtors Closing balance + Billed Revenue – Gross Debtors Opening balance – Bad Debts written off)/ billed Revenue	69%	69%	74%
Remuneration to total Expenditure	(Employee Cost + Remuneration of councilors)/ Total Expenditure	44%	41%	40%

### 3.7.13. Loans/ Borrowings and Grant Dependency

Nongoma municipality for the past two year i.e. 2016/17 and 2017/18 financial had no borrowings in terms of long term loan. In 2019/20 financial year the municipality is planning to enter into a finance lease agreement for the procurement of municipal vehicles.

The major portion of Nongoma revenue is coming from government grants; the percentage of grant revenue in 2018/19 financial year was 81%. The second major revenue generation for the municipality is property rate at 13% in the same year. This statistics indicates that the municipality is heavily reliant on government grants.

### 3.7.14. OVERSIGHT COMMITTEE

An oversight committee or Municipal Public Accounts Committee (MPAC) consisting of 6 members was appointed in terms of Section 79 of the Municipal Structures Act. The Nongoma Oversight Committee comprises of the following members:

- Chairperson: Councillor MN Mkhwanazi;
- Member: Councillor ZN Sithole;
- Member: *Councillor ME Ndwandwe (has been removed, and yet to be replaced)*
- Member: Councillor MS Hadebe;
- Member: Councillor NB Nhleko
- Member: Councillor TJ Dlamini

### 3.7.15. CHALLENGES and INTERVENTIONS

Challenges	Current / proposed Interventions
LOW DEBTS COLLECTION / DEBTORS MANAGEMENT	Upgrading of billing system; Accurate Bills Statements
SCM AND MFMA NON-COMPLIANCE	Procurement plans; Prevention of Irregular Expenditure Checklist; Fraud Prevention Plan and Investigation Policies SCM SOPS MFMA Compliance Checklist
CONTRACT MANAGEMENT	Development of Contract Management Framework and policy; SLAs Model Template
BUDGET CONTROL AND MANAGEMENT	Budget Control and Management procedures; Accurate section 71 Reports and timely financial reporting; Cash Flow Management procedures; Regular preparation of AFS
CREDITORS MANAGEMENT (i.e. 30 days payments procedures)	Payments of service providers' improvement procedures. Document Management for Financial Vouchers.

### **3.7.16. SWOT Analysis for Financial Management and Municipal Viability**

#### **Strengths (Internal)**

- Financial Management Strategy in place and Implementation Plan thereof;
- Financial Management Structure;
- Financial Management Policies, Financial System Upgrade etc

#### **Weakness (Internal)**

- Capacity constraints within the department (i.e. relevant skills);
- Inadequate understanding and interpretation of all financial reforms e.g. GRAP and Municipal Legislations etc;
- Inadequate knowledge of expectations by independent assurance providers e.g. Auditor-General

#### **Opportunities (External)**

- Available continuous support from Provincial Treasury, National Treasury and COGTA

#### **Threats (External)**

- Government Grants dependency.

## 3.8. GOOD GOVERNANCE & PUBLIC PARTICIPATION

### 3.8.1. GOOD GOVERNANCE

In ensuring the institutionalization of “Batho Pele” principles; the municipality has developed its Batho Pele Policy and Procedure Manual. To further enhance the institutionalization of Batho Pele principle the municipality has developed the Service Delivery Charter & Standards and Service Delivery Improvement Plan (SDIP). These plans were endorsed by the Council in 30 May 2019 along with the adoption of the IDP/Budget.

#### 1. BATHO PELE POLICY AND PROCEDURE MANUAL

The Batho Pele Policy and Procedure Manual is based on the following Batho Pele principles:

In carrying out their duties, public servants are guided by the following Batho Pele principles:

- 1) **Consultation:** Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice regarding the services offered;
- 2) **Service Standards:** Citizens should be told what level and quality of public service they will receive so that they are aware of what to expect;
- 3) **Access:** All citizens have equal access to the services to which they are entitled;
- 4) **Courtesy:** Citizens should be treated with courtesy and consideration;
- 5) **Information:** Citizens should be given full, accurate information about the public services to which they are entitled;
- 6) **Openness and transparency:** Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge;
- 7) **Redress:** If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response;
- 8) **Value for money:** Public services should be provided economically and efficiently in order to give citizens the best possible value for money;
- 9) **Encouraging Innovation and Rewarding Excellence:** Rewarding the staff who go an extra mile to make things happen and encourage partnership to with different sectors to improve service delivery. Embrace new innovative ways of doing things. ***This has seen the process of cascading Performance management to Managers below Section 54/56 Managers introduced as of the 1<sup>st</sup> of January 2019. While the municipality has set aside a budget portion for rewarding staff that performed exceptionally; rewarding of good and exceptional performance will only commence in the 2019/2020 FY.***
- 10) **Service Delivery Impact:** the Municipality shall measure and report regularly, using the sum total of all Batho Pele initiatives, the impact of the Batho Pele service delivery on the lives of the inhabitants of Nongoma Municipality.
- 11) **Leadership and Strategic Direction:** It is envisaged that Municipal leaders shall create an atmosphere that conducive for creativity by staff within the Municipality.

## **2. SERVICE DELIVERY IMPROVEMENT PLAN (SDIP)**

The Service Delivery Improvement Plan (SDIP) is a tool to enhance the Municipality's daily operations to achieve better service delivery to its communities. The SDIP as a tool, as with any other rigorous reporting instrument would contribute towards measuring the improvement of the service delivery of Nongoma municipality, for it would point out the municipality's shortcomings and weaknesses.

The municipality has prepared its SDIP (refer to Annexure 3). The SDIP is linked to the SDBIP and the municipality has through the SDIP identified the following 3 planned standards as area of improvement:

- 1) Planned Standard #1: All vacant post filled within 3 months of the closing date of the advert;
- 2) Planned Standard #2: 100% spending of Capital Budget;
- 3) Planned Standard #3: Working Towards Clean Audit

## **3. SERVICE DELIVERY CHARTER AND STANDARDS**

The municipality has developed its Service Delivery Charter and Standards. Through the Service Charter the municipality articulates the level and quality of services to be provided. As the municipality improves in its effort to provide services to the communities; any introduction of new services will be communicated and articulated in the Service Delivery Charter and Standard document.

As a tool of implementing the principles of Batho Pele; the main purpose of Nongoma Service Delivery Charter and Standards is to improve awareness of the availability and quality of the services offered by the municipality. It also provides guidance to service beneficiaries to claim their existing rights. This is in line with the principle that citizens have the right to expect high quality public services which meet their needs.

## **4. OPERATION SUKUMA SAKHE**

Operation Sukuma Sakhe has a 'whole of Government approach' as its philosophical basis. It spells out every initiative and how it links to initiatives being implemented by the different sector departments and the spheres of government, therefore delivery of services is required through partnership with community, stakeholders and government.

Operation Sukuma Sakhe is a continuous interaction between Government and the community to come together to achieve the 12 National Outcomes. It encourages social mobilization where communities have a role, as well as delivery of government services in a more integrated way.

Government has structured programs which need to get as deep as to the level of the people we are serving. The Nongoma Sukuma Sakhe comprises of the following departments:

- Department of Health.
- Department of Works.
- Department Social Development.
- Department of Agriculture.
- Department of Home Affairs.
- Department Transport.
- COGTA (Through CDW's)
- Department of Sport and Recreation;

- Department of Social Development;
- Non-Profit Organizations;
- South African Police Services (SAPS);and
- Nongoma Local Municipality

The Nongoma Operation Sukuma Sakhe is chaired by Department of Health's Mrs Bassie. Monthly meetings are held in an endeavor to ensure the constant functionality of the programme and to address the challenges that are facing communities in each ward and devise multi-sectoral responses to assist members of the community. The programme assists in aligning government projects and efforts and in the reduction of wastage of resources.

## **6. COMMUNITY DEVELOPMENT WORKS PROGRAMME**

CDW programme is aimed at strengthening the capacity of the state to enable it to improve delivery and quality public services; to build partnerships with society for equitable development and to strengthen democratic institutions; and to promote a culture of transparent, honest and compassionate public service.

The Nongoma Municipality has 18 CDWs (Community Development Workers). These workers help with the dissemination of information to the poor about benefits and services to which all citizens are entitled; assist the poor to access and benefit from the services that could materially improve their lives; and provide an interface or bridge between Nongoma municipality and communities to enhance and improve the level of participation of the communities.

Through this programme the OSS Structure has managed to launched offices called the War Rooms where officials or fieldworkers from various departments work from e.g. Premier Youth Ambassadors, Youth friendly service (Health), NARYSEC (National Rural Youth Service Corps), Community Care Givers from Health Departments as well as Community Development Workers (COGTA).

Ward Councillors are champions in all these offices and the communities submit cases or issues to the war room and the OSS structure respond accordingly on a case by case basis. Through the OSS structure, department make a commitment in ensuring that the reported issues/cases are promptly dealt with. The impact of the OSS programme in Nongoma has been experienced especially in cases of disasters, wherein departments such as the provincial department of Human Settlement, promptly respond in replacing and building houses damaged by storms. The Department of Human Settlement reports regularly on the quarterly Housing Forum meetings on the progress of implementation of its Sukuma Sakhe programme within Nongoma municipality.

Community Development Workers are coordinators of the war room in all 21 wards. While not all 21 Wards has Community Development Workers; these workers manage to cover all wards through the assistance of field workers. Each ward has a War Room Task Team, and part of the task team is Traditional Councils and Izinduna within a particular ward.

A Nongoma Local Task Team meeting sits twice a month on the first and third week of each month, and War rooms meetings sits differently some take place on different days of the week which means war rooms meet once every week.

Ward Councillors, Ward committees, Youth Ambassadors, Youth Friendly, Community Care Givers, Extension Officers, Community Development, Traditional council and community

members participate in these meetings to discuss issues raised in the office bearers during the week.

## **7. INTER-GOVERNMENTAL RELATIONS (IGR)**

### **7.1. LEGISLATIVE BACKGROUND**

Intergovernmental Relations (IGR) in South African context concern the interaction of the different spheres of government. The Constitution declares that government is comprised of National, Provincial and Local spheres of government which are distinctive, interdependent and interrelated.

According to the Constitution of the Republic of South Africa, Act, No.108 of 1996, Section 41 (2), an Act of Parliament must establish or provide structures and institutions to promote and facilitate Intergovernmental Relations and provide for appropriate mechanisms and procedures to facilitate settlement of Intergovernmental disputes.

- a) Establishment of a fully functional and operational IGR structure;
- b) Development of a business engagement model which will encourage all stake holder involvement towards economic viability within the district;
- c) Capacitation of Mayors on IGR; and
- d) Development of a monitoring mechanism which will be used to track and report on IGR progress.

### **7.2. STATUS & FUNCTIONALITY OF INTER-GOVERNMENTAL STRUCTURES (IGR)**

Facilitation of IGR Structure does not rest with Nongoma municipality. The District IGR structures are coordinated and facilitated at a District level, and Provincial IGR Structures at a Provincial level.

At a District level; both the Mayor's Forum and Municipal Manager's Forum are dysfunctional. The non-functionality of such strategically-placed forum has a bearing on the functionality of other structures in the District.

The status of IGR structures within the Zululand District is outlined below:

<b>IGR STRUCTURE</b>	<b>STATUS</b>
Mayors Coordinating Forum	NOT FUNCTIONAL
MMs Technical Committee	NOT FUNCTIONAL
Corporate Services Technical Forum	NOT FUNCTIONAL
District CFO Forum	NOT FUNCTIONAL
District Disaster Management Advisory Forum	NOT FUNCTIONAL
District Planning and Development Technical Forum	NOT FUNCTIONAL

Despite non-functionality of the IGR structure in the District; Nongoma municipality works on maintaining healthy relations with all government entities. COGTA provides the most valuable support to this municipality, and has been a regular feature since the municipality is under its Weak IDP Municipal Support programme.

The Municipality also works with different departments in coordinating izimbizo and service delivery as discussed above.

At a Provincial level, Nongoma municipality participates in all provincial forums such as MUNIMEC and PCF. The municipality also participates in the following forums:

- Provincial Planners (SPLUMA) Forum;
- Provincial IDP Coordinating Forum
- Provincial Disaster Management Advisory Forum

The Municipal Manager is the dedicated official for IGR forum. The relevant Personnel are dedicated per IGR Forum and the facilitation of IGR matters that is situated in The Municipal Manager office.

## 8. MUNICIPAL STRUCTURES

The following Section 79 Committees are in place:

- **Full Council:** Also participating in the council are the three (3) Traditional Councils of Nongoma. This is in line with Section 81 of Municipal Structures Act. Management in the form of the Head of Departments, including the Municipal Manager and their respective Line Managers also attend and participate in the Council.
- **Executive Committee (EXCO);**
- **Community Services Portfolio Committee;**
- **Corporate Services Portfolio Committee;**
- **Technical Services Portfolio Committee;**
- **Municipal Public Accounts Committee (MPAC)**

## 9. WARD COMMITTEE SYSTEM

Ward Committees have been established as per section 73 of the Local Government: Municipal Structures Act 117 of 1998 in all 21 wards of the municipality and they are functional. The ward committees meet on a monthly basis to discuss issues that affect the ward for onward submission to Council for consideration. This structure is developmental in nature and it serves as a vital communication link between the municipality and the community.

The Ward Committees are functional throughout the municipality. The ward Committee meetings are held on a monthly-basis and the municipality has a dedicated official whose responsibilities include ensuring functionality of the ward committees. 2 training have been earmarked in 2018/2019 FY towards capacitating ward committees.

The functionality of ward committees has also been enhanced through the Back-2-Basics programme, and is reported accordingly on quarterly B-2-B reporting engagements.

## 3.8.2. PUBLIC PARTICIPATION

### 1. COMMUNICATION/PUBLIC PARTICIPATION STRATEGY

The municipality have a communication strategy in place. The strategy is currently under review. The review seeks to fuse into the communication strategy elements of public participation strategy. Therefore the reviewed strategy will be referred to as the Nongoma Communication/Public Participation strategy. The strategy will be adopted in June 2019.

In line with the currently-under review communication strategy, the municipality has utilised various avenues of engaging communities and ensuring that they participate in the affairs of the municipality. Platforms such as ward-based meeting (monthly held), IDP-RF (Quarterly-held), IDP community meetings held in November, and IDP Road Shows were all conducted and provided an opportunity for the municipality to engage the community it serves.

## 2. COMMUNITY PARTICIPATION IN THE IDP PROCESS

In terms of the Municipal Systems Act no 32 of 2000 section 16 (1) municipality must develop a culture of community participation in the preparation, implementation and review of its Integrated Development Plan (IDP). Subsection (c) stipulates that a municipality should use its resources and allocate budget for the purposes of implementing all provisions stipulated in section 16, which includes the IDP.

Community participation is enhanced through the IDP Representative Forums which sits quarterly. In the forum, communities are represented by their respective ward committee members. The IDP-RF becomes a platform within which ward issues are elevated into a municipal level among others, hence a link between the IDP-RF and Ward Committee meetings.

## 3. IDP/Budget Izimbizo 2018/2019

One of the mandates for Local Government is to give priority to the needs of the community. Communities are therefore given an opportunity to participate in the process of prioritizing their needs. Municipalities through the IDP/Budget process register the needs of its community and also set up programmes that would address these needs. Resources are then allocated to address needs that have been identified. The IDP/Budget Izimbizo for Nongoma municipality were conducted as per Section 29(b)(i,ii,iii) of the Local Government: Municipal Systems Act, and Chapter 4 of the Municipal Systems Act of 2000; and were conducted as follows:

HOST WARD	CLASTERED WARDS	VENUE	DATE	Time
Ward 2	1,2,3,5,7,8	Esibonelo Community Hall	20/11/2018	10H00
Ward 12	6,10,11,12,13	Machibini Sportfield	21/11/2018	10H00
Ward 21	9,14,15,17,21	KwaMinya	22/11/2018	10H00
Ward 4	4,16,18,19,20	Mangeleni Community Hall	20/11/2018	10H00

During the IDP process, participation is implemented during the assessment and planning phase to help gather relevant data to define development challenges and to identify vulnerable groups, map out root causes, and set priorities in a form of IDP Public Consultation Meetings. The Municipality undergone Community needs analysis or assessment, this exercise is done to ensures that a participatory process is followed when planning the Municipal areas development which will further ensure a sense of ownership on the communities side as they will be part of the decision making process when it comes service delivery.

## 4. DRAFT 2019/2020 IDP/BUDGET MEETINGS

Subsequent to the preparation and compilation of the draft 2019/2020 IDP and budget; the municipality embarked on a public consultation drive to present the draft IDP and budget to the Nongoma communities. The platform also provided the opportunity for engagements with communities therefore soliciting inputs to be considered in the final IDP/Budget. The 2019/2020 Draft IDP/Budget meetings were arranged as follows:

HOST WARD	CLASTERED WARDS	VENUE	DATE	Time
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Ward 6	6, 7, 8, 10, 11 and 12	Dengeni Community Hall	09/04/2019	12H00
Ward 4	4, 9, 13, 14, and 15	Emasundwini Community Hall	10/04/2019	12H00
Ward 2	1, 2, and 5	Ndema Community Hall	11/04/2019	12H00
Ward 18	3, 16, 17, 18, 20 and 21	Emzweni Community Hall	12/04/2019	12H00
Ward 19	19	Multi-Purpose Centre	12/04/2019	18H00

### 3.8.3. FUNCTIONALITY OF MANAGEMENT STRUCTURES

There are 2 main Management structures in the municipality, i.e:

- Management Committee (MANCO) which comprises of the Heads of Departments, and also the IDP/PMS Manager and Internal Audit Manager. The committee is functional and sits every week on a Wednesday. The Committee is chaired by the Municipal Manager.
- Extended Management Committee (MANCO) which comprises of the Heads of Departments, and all line Managers (including Assistant Managers). This Committee is also chaired by the Municipal Manager.

#### 1. IDP STEERING COMMITTEE

IDP steering Committee has been fused with the MANCO (both for Senior Management and Extended MANCO). The participation of the IDP/PMS Manager in the MANCO for Senior Management allows for discussion of IDP development/Review process and also PMS issues at a senior Management level. Issues that required attention of Departmental Sections/Units are therefore discussed and addressed at an Extended MANCO meeting.

The alignment of IDP Steering Committee with MANCO ensures functionality of the IDP Steering Committee, and is based on the fact that the IDP Steering Committee draws similar audience with both MANCO and Extended MANCO.

#### 2. PORFOLIO COMMITTEES

The political structure has been outlined in Section 3.4.1 of this document. It is indicated in that section that member of the Municipal EXCO which comprises of the Mayor, Deputy, the Speaker, and an additional 6 councilors are tasked with a political oversight role upon which they chair various Portfolio Committees. The portfolio committees for Nongoma municipality, their functionality are herein outlined:

Portfolio Committee	Chairperson of the Committee	Functionality
Corporate Services	Cllr. SA Hlongwane	Functional
Finance Department	Cllr M.A. Mncwango	Functional
Social & Protection Services	Cllr. AN Xulu	Functional
Planning & Development		Functional
Technical Services	Cllr. AN Ndabandaba	Functional

### 3.8.4. AUDIT

#### 1. INTERNAL AUDIT

The municipality has a functional Internal Audit Unit which is strategically located within the Office of the Municipal Manager. The Internal Audit Manager participates in the all MANCOs as indicated above, and together with the IDP/PMS Manager is a member of Senior Management Committee.

The Internal Auditor, as value add function, has prepared a risk-based internal audit plan and determine whether controls in place are adequate and effective to mitigate any risks that may threatened achievement of strategic and operational objectives. It has also review adequacy and effectiveness of internal controls.

The Internal Auditor also ensures monitoring of compliance by means of checklist and report to any issues of non-compliance to the governance structures on the regular basis. i.e monthly to Manco and quarterly to Audit Committee.

#### 2. AUDIT COMMITTEE

The municipality has a functional audit committee that sits quarterly. The objective of the committee is to assist the Executive Committee with its responsibility of safeguarding, maintaining effective and efficient internal controls, reviewing financial information and overseeing the preparation of the annual financial statements. The committee operates in accordance with terms of reference authorized by the Council and the auditors have unrestricted access to the committee members. The committee is also responsible for risk management. The committee ensures that identified risks are monitored and appropriate measures are devised and implemented to manage such risks. The committee substantially performed all the functions assigned to it in terms of section 166(2) of the Municipal Finance Management Act) Act No. 56 of 2003).

Composition of the Audit Committee

NAME	POSITION
Dr. T.I. Nzimakwe	Audit Committee Chairperson
Mr. M. Khuzwayo	Audit Committee member
Ms. N.H. Thungo	Audit Committee member
Cllr. M.N. Mkhwanazi	MPAC Chairperson
<ul style="list-style-type: none"><li>- The Municipal Manager;</li><li>- Senior Management (Heads of Departments); and all</li><li>- Line Managers</li></ul>	

The internal audit covered the following:

- Loss Control – Follow Up Review
- Receipting and Banking – Follow Up Review
- Human Resources and Payroll – Follow Up Review
- Asset Management – Follow Up Review
- Review of Revenue
- Review of Purchases and Payables

- Review of Division of Revenue Act (DoRA)
- Review of Tenders and Contracts

### 3.8.5. SWOT ANALYSIS: GOOD GOVERNANCE & PUBLIC PARTICIPATION

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Functional municipal Council and all council committees</li> <li>• Proactive participation in the District IGR structures</li> <li>• Development of strong room for records.</li> </ul>	<ul style="list-style-type: none"> <li>• Poor internal communication</li> <li>• Communication strategy not incorporated in the IDP</li> <li>• Inability to enforce bylaws, lack of capacity</li> <li>• Poor ICT management</li> <li>• Ward Committees have to remain functional.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• The Council has established a Monitoring and Evaluation Committee that seeks to evaluate the efficiency and functionality of all Stakeholders to ensure Good Governance and sound Service Delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Culture of non-compliance with bylaws, and resistance</li> <li>• IGR and Good Governance in general are dependent on the support from various institutions and organs of state to ensure success.</li> </ul>

### 3.9. COMBINED SWOT ANALYSIS

MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	
<b>Strengths</b> <ul style="list-style-type: none"> <li>• HR Policies in place.</li> <li>• Local Labour Forum Established.</li> <li>• Employment Equity Committee Established.</li> <li>• OHS Committee Established.</li> <li>• Draft HR Strategy in place.</li> <li>• The Organogram has been approved by Council for the current FY.</li> <li>• Critical positions filled, e.g. Senior managers filled.</li> <li>• Disciplinary Collective agreement in place.</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• HR Policies not reviewed.</li> <li>• Poor Implementation of EEA.</li> <li>• OHS Committee not functional</li> <li>• No office space for both staff &amp; councillors.</li> <li>• Poor record keeping due to lack of office space and decentralization.</li> <li>• None existence of Municipal Code.</li> <li>• No budget allocated for community skills development projects;</li> <li>• Lack of sufficient working tools</li> <li>• Overstaffed</li> <li>• Compromised safety in the workplace</li> <li>• Lack of well-defined organizational culture</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>• Set aside budget for implementation of Learnerships.</li> <li>• Cascading of PMS.</li> <li>• To generate own revenue;</li> <li>• To regain public trust.</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• Loss of information due to poor or decentralized record keeping possible loss of cases.</li> <li>• Loss of institutional memory</li> <li>• Poor performance</li> </ul>
BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT	

<b>Strengths</b> <ul style="list-style-type: none"> <li>• Political stability</li> <li>• Most of critical posts are filled</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• Lack of skills</li> <li>• Inadequate resources</li> <li>• Organogram</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>• High possibility of development investments</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• Increment of poverty stricken people in Nongoma</li> <li>• Limited funds</li> </ul>
<b>FINANCIAL VIABILITY &amp; MANAGEMENT</b>	
<b>Strengths</b> <ul style="list-style-type: none"> <li>• Financial Management Strategy in place and Implementation Plan thereof;</li> <li>• Financial Management Structure;</li> <li>• Financial Management Policies, Financial System Upgrade etc</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• Capacity constraints within the department (i.e. relevant skills);</li> <li>• Inadequate understanding and interpretation of all financial reforms e.g. GRAP and Municipal Legislations etc;</li> <li>• Inadequate knowledge of expectations by independent assurance providers e.g. Auditor-General</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>• Available continuous support from Provincial Treasury, National Treasury and COGTA</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• Government Grants dependency.</li> </ul>
<b>GOOD GOVERNANCE &amp; PUBLIC PARTICIPATION</b>	
<b>Strengths</b> <ul style="list-style-type: none"> <li>• Functional municipal Council and all council committees</li> <li>• Proactive participation in the District IGR structures</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• Poor internal communication</li> <li>• Communication strategy not incorporated in the IDP</li> <li>• Inability to enforce bylaws, lack of capacity</li> <li>• Poor ICT management</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>• Meaningful participation to ceremonial events, i.e. Reed Dance</li> <li>• Young Manager whom are still energetic with prospect for growth</li> <li>• Stability in management</li> <li>• Implementation of Council resolution</li> <li>• Creation of inter-governmental relations</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• Political instability</li> <li>• Public unrest, i.e. strikes</li> <li>• Lack of crisis management plan</li> </ul>
<b>ECONOMIC &amp; SOCIAL DEVELOPMENT</b>	
<b>Strengths</b> <ul style="list-style-type: none"> <li>• Productive agricultural regions especially in the South and</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• Fragmented Settlement patterns</li> <li>• Limited access to capital for</li> </ul>

<p>North West part of the municipality</p> <ul style="list-style-type: none"> <li>• Thriving informal trade in Nongoma town as well as Mona Market</li> <li>• Decent tourism accommodation facilities</li> <li>• Thriving Trade and Financial sectors</li> </ul>	<p>Sustainable Economic Development Programmes</p> <ul style="list-style-type: none"> <li>• Lack of manufacturing industries</li> <li>• Constraint access to productive land</li> <li>• Lack of marketing tourism as a sector</li> <li>• Lack of investment opportunities</li> <li>• Limited information on Nongoma economic sectors</li> <li>• Inadequate Human capacity in enforcement of municipal by-laws</li> <li>• Inadequate of library infrastructure</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Nongoma being the seat of the Zulu Kingdom</li> <li>• Big push investment market</li> <li>• Reasonably strong infrastructure linkages with Pongola and Richards bay</li> <li>• Subsistence farming which could be expanded to commercial</li> <li>• Relatively young population</li> <li>• Many residential settlement which provide opportunities for nodal development</li> <li>• Revenue enhancement through Establishment of Municipal Testing Centre</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• High rate of unemployment and poverty</li> <li>• Congested town centre &amp; lack of parking space</li> <li>• trembling economy</li> <li>• shortage of skills and high level of illiteracy</li> <li>• Poor investor confidence ( e.g. failure to get investors for offices)</li> <li>• Poor participation of youth and women in development programmes</li> <li>• Theft of livestock at pound.</li> <li>• Youth substance abuse</li> <li>• Lack of reasonably strong infrastructure linking uPhongolo and Richards Bay</li> </ul>
<p><b>CROSS-CUTTING ISSUES</b></p>	
<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• SDF in place with identified areas of economic growth and population densification</li> <li>• Existing Urban development framework (may need update)</li> <li>• Disaster risks map available with disaster management plan</li> <li>• Existing disaster unit, but supposed to be disaster centre.</li> <li>• Well trained staff</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Changing climatic conditions</li> <li>• High poverty and unemployment levels</li> <li>• Overdependence on Government grants</li> <li>• High services backlog</li> <li>• Rural road infrastructure deficits</li> <li>• Environmental degradation</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Willingness of Public Works to release Erf 5000</li> <li>• High demand of rental stock</li> <li>• Functional, able to take resolutions</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Perception that government want to expropriate ITB land</li> <li>• Contestation of authority over Erf 5000</li> <li>• Entrenched culture of impunity/disregard of law</li> <li>• Hilly terrain in town, resulting in limited land for expansion</li> </ul>

	<ul style="list-style-type: none"> <li>• Scattered settlements, making service delivery costly</li> <li>• Lightning and drought</li> </ul>
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### 3.10. ORGANISATIONAL SWOT ANALYSIS

During the strategic planning session held in Paulpietersburg (21- 23 January 2019); the municipality conducted an exercise wherein it looked at itself as an organization and identified the organization's Strengths, Weaknesses, Opportunities and Threats over and above the SWOT Analysis that was conducted by different commissions along Key Performance Areas as presented above. The following presents the SWOT Analysis of the organization (Nongoma Local Municipality):

<b>STRENGTHS</b>	<b>WEAKNESSES:</b>
<p><b>What do we do exceptionally well?</b></p> <ul style="list-style-type: none"> <li>- Critical (All senior management) positions have been filled.</li> <li>- Functional municipal Council and all council committees</li> </ul> <p><b>What advantages do we have?</b></p> <ul style="list-style-type: none"> <li>- High possibility of development investments: Thriving Trade (formal &amp; informal) and Financial sectors thus making Nongoma attractive to investors</li> <li>- High tourism potential as a result of Nongoma being at the heart of Heritage and cultural sector</li> </ul>	<p><b>What could we do better?</b></p> <ul style="list-style-type: none"> <li>- Formulation of clear training plan (WSP), Core Training: All employees (Contract and permanent employees, Interns, Councillors) are entitled to attend this type of training.</li> <li>- Implementation of Employee Assistance Programme (EAP),</li> <li>- Provision of working resources. No office space for both staff &amp; councillors</li> <li>- Poor record keeping due to lack of office space and decentralization</li> </ul> <p><b>Where are we vulnerable?</b></p> <ul style="list-style-type: none"> <li>- Office space not compliant with Occupational Health &amp; Safety Act.</li> </ul>
<b>OPPORTUNITIES:</b>	<b>THREATS:</b>
<p><b>What opportunities do we know about but have not been utilised?</b></p> <ul style="list-style-type: none"> <li>- Possibilities to generate own revenue</li> <li>- The prospects of cascading Performance Management to middle Management staff</li> <li>- Economic diversification of Tourism opportunities, i.e. Heritage and Cultural-based tourism linked to Nongoma being the seat of the Zulu Kingdom</li> </ul> <p><b>What are emerging trends we can capitalise on?</b></p> <ul style="list-style-type: none"> <li>- The prospects of having annual events around the Reed Dance festival</li> </ul>	<p><b>What external issues that may retard our progress?</b></p> <ul style="list-style-type: none"> <li>- Distorted relationship between the state and the Tribal Authority, e.g. Perception that government want to expropriate ITB land.</li> <li>- Unavailability of land for development</li> <li>- Staff turnover (Inability to keep qualified employees) resulting in loss of organisational memory.</li> <li>-</li> </ul> <p><b>Is there a significant change that we are anticipating?</b></p> <ul style="list-style-type: none"> <li>- Review of organisational structure.</li> </ul>

## 4. SECTION D: DEVELOPMENT GOALS AND OBJECTIVES

A strategic planning session was held on the 21<sup>st</sup> to 23<sup>rd</sup> of January 2019 at Natal Spa & Leisure Hotel in Paulpietersburg (Dumbe). The purpose of the strategic planning session was as follows:

7. To review service delivery mandate of Nongoma Local Municipality that will inform the Reviewed 2019/2020 IDP & Budget;
8. To review the Municipality's mission, vision, strategic objectives and organogram in line with reviewed government priorities as contained in the NDP, PGDP and DGDP; State of the Nation Address; State of the Province Address, and other various applicable policy directives;
9. To create a platform for the necessary culture of organizational Teamwork; Integration; and alignment across the Municipal machinery

The following information is a reflection on reviewed Vision, Mission, Values, Strategic Priorities and Strategic Objectives.

### 4.1. VISION FOR NONGOMA LOCAL MUNICIPALITY

#### VISION:

**“TO BE A CARING AND PROGRESSIVE MUNICIPALITY, GUIDED BY UBUNTU-BOTHO”**

Nongoma being the seat to the Zulu King shall have a noble living space depictive of the king's equal provision of royal treatment to all of his subjects. By 2030 Nongoma should have adequate, **environmentally sustainable** and top quality **basic infrastructure and services** equally distributed to all citizens. **Human development** opportunities will be easily accessible and there shall be **job opportunities** for the employable. The people shall be **healthy, safe and celebrating their arts, culture and heritage**.

### 4.2. MISSION STATEMENT

**INSPIRED BY THE PHILOSOPHY OF UKUZAKHA NOKUZENZELA, WE WILL PROVIDE TIMEOUS AND SUSTAINABLE SERVICES**

#### MUNICIPAL GOALS

- Improve institutional efficiency and effectiveness
- Improve financial viability and sustainability
- Responsive, transparent, participatory and accountable municipal governance
- Improved basic service delivery and infrastructure development
- Improved inclusive economic growth and community development

- Improved spatial equity and environmental sustainability

#### 4.3. VALUES

In pursuing the above-mentioned vision and mission Nongoma Local Municipality is committed to upholding the following core values inspired by the Nongoma area of jurisdiction being a **ZULU CROWN**:

**Z** = Zeal / ugqozi  
**U** = unity / ubunye  
**L** = love / uthando  
**U** = Ubuntu  
**C** = communication / ukuxhumana  
**R** = respect / inhlonipho  
**O** = openness / ukuvuleleka  
**W** = wellness / inhlalakahle  
**N** = nobility / ubukhosi

#### 4.4 PRIORITIES

The following are the key priority areas of Nongoma Local Municipality:

1. Poverty Alleviation
2. Food Security
3. Skills Development
4. Revenue enhancement
5. Spatial planning and development;
6. Good Governance and Clean Administration.

#### 4.5. KEY OUTCOMES FOR THE NONGOMA LOCAL MUNICIPALITY

1. Eradication of poverty through food security and job creation
2. Unlock economic sectors within the municipality that have potential for growth and attraction of potential investors
3. Economic activeness of Small Medium and Micro Enterprises (SMMEs), Cooperatives and Emerging Contractors
4. Social development (youth, women, senior citizens, people living with disability) in sports, in the economy and skills development.
1. Embrace the principles of good corporate governance and accountable and disciplined administration;
5. Health and safety for all residents of Nongoma
6. Efficient and effective spatial planning and development, and disaster management
7. Efficient and effective safeguarding and proper management of municipal assets
8. Effective and efficient communication within the institution, and to all stakeholders including community in line with Batho Pele principles
9. Practice sound, fraud and corrupt-free financial management practices for long-term sustainability of the municipality.

#### 4.6. STRATEGIC OBJECTIVES, STRATEGIES AND TARGETS

The following section reflects on strategic objective, strategies and targets.

KPA 1: Municipal Transformation and Institutional Development					
GOAL	OBJECTIVE	STRATEGY	KPI NO	KPI	TARGET
Improved institutional efficiency and effectiveness	A1. To ensure implementation of functional performance management	Development and Implementation of Performance Management System (PMS)	A1.1	Date of developing Performance Management Policy Framework	Performance Management Policy Framework developed by 30 June 2020
			A 1.2	Date of submitting the 2020/2021 Organisational SDBIP for approval	Council Approved 2020/2021 Organisational SDBIP by 30 June 2020
			A1.3	Number of S54/S56 Performance Assessment Reviews conducted by 30 June 2020	2 Performance Assessment Reviews conducted by 30 June 2020
			A 1.4	Number of quarterly Organisational SDBIP reports submitted	4 Quarterly Organisational SDBIP reports submitted
Human Resource Management & Development	A2. To provide and promote institutional and organisational development and capacity building	Review and Implementation and monitoring of Human Resources Strategy	A 2.1	Date of adopting HRS	Council adopted HRS by 31 December 2019
			A 2.2	Number of HRD Strategy Functionality assessment reports Submitted to Council	4 HRD Strategy Functionality assessment reports Submitted to Council for noting by 30 June 2019
		Review and implementation of Workplace Skills Plan	A2.3	Date of adopting WSP	Council adopted WSP by 31 December 2019
			A2.4	Percentage of budget spent on implementing WSP	100% of Municipality's budget allocated for WSP spent on implementation by 30 June 2020
		Review and implementation of Employment Equity Plan	A2.5	Date of adopting Employment Equity Plan	Council adopted Employment Equity Plan by 31 December 2019

<b>Information Communication Technology (ITC)</b>	<b>A3. To ensure an improved information and communication and development</b>	Develop Implement and monitor ICT Governance Framework	<b>A3.1</b>	Number of ICT Framework functionality assessment reports submitted to Council	4 ICT Framework functionality assessment reports submitted to Council for noting by 30 June 2019
<b>KPA 2: Basic Service Delivery and Infrastructure Development</b>					
<b>GOAL</b>	<b>OBJECTIVE</b>	<b>STRATEGY</b>	<b>KPI NO</b>	<b>KPI</b>	<b>TARGET</b>
<b>Improved basic service delivery and infrastructural development and Social facilities</b>	B1. To provide high quality infrastructure network to support improved quality of life and economic growth	Development and Implementation of the Consolidated Infrastructure Plan	<b>B1.1</b>	Date of adopting the Consolidated Infrastructure Plan	Council adopted Consolidated Infrastructure Plan by 31 December 2019
			<b>B1.2</b>	Number of operations & Maintenance reports submitted to EXCO by 30 June 2020	4 Operations & Maintenance reports submitted to EXCO by 30 June 2020
		Monitor expenditure on MIG/INEP funded programmes & projects	<b>B1.3</b>	% of MIG Expenditure by 30 June 2020	100% of MIG Expenditure by 30 June 2020
			<b>B1.4</b>	% of INEP Expenditure by 30 June 2020	100% of INEP Expenditure by 30 June 2020
			<b>B1.5</b>	Number of operations & Maintenance reports submitted to EXCO by 30 June 2020	4 Operations & Maintenance reports submitted to EXCO by 30 June 2020
	B2. Improving sustainable human settlement	Prepare & endorse a strategic planning document to guide and promote Human Settlements within Nongoma LM	<b>B2.1</b>	Date of adoption of Nongoma Human Settlement Sector Plan by Council	Council-adopted Human Settlement Plan by 31 December 2019
	B3. Improved basic service delivery, infrastructure development	Provision of access to refuse removal	<b>B3.1</b>	No of households with access to refuse removal by 30 June 2019	590 households with access to refuse removal by 30 June 2020

	and social facilities				
<b>KPA 3: Local Economic Development &amp; Social Development</b>					
<b>GOAL</b>	<b>OBJECTIVE</b>	<b>STRATEGY</b>	<b>KPI NO</b>	<b>KPI</b>	<b>TARGET</b>
<b>Improved inclusive economic growth and community development</b>	C1. To create an enabling environment for economic growth and job creation	Promote SMME and entrepreneurial development	<b>C1.1</b>	Number of SMME and entrepreneurial programmes promoted	3 SMME and entrepreneurial programmes ( Business seminar, Tourism Flea Market, Tourism Exhibitions) promoted by 30 June 2020
		Develop and promote Tourism potential of Nongoma municipality	<b>C1.2</b>	Number of Tourism programmes developed	1 Tourism programme (Palace Routes & Signage) developed by 30 June 2020
		Implement LED Strategy	<b>C1.3</b>	Number of LED programmes implemented	1 LED programme (Prospecting Mining Rights Application) implemented by June 2020
		Promote job creation	<b>C1.4</b>	Number of jobs created through EPWP and other municipal programmes	83 Jobs created through EPWP by 30 June 2020
	C2. To improve the quality of lives for people within Nongoma municipality	Develop, Implement and monitor special programmes	<b>C2.1</b>	Number of Special Programmes implemented	2 Programmes (Snr Citizens & Children, & Disability) implemented by 30 June 2020
		Develop, implement and monitor poverty alleviation programmes	<b>C2.2</b>	Number of poverty alleviation programmes identified & implemented	21 poverty alleviation programmes identified and implemented by 30 June 2020
			<b>C2.3</b>	Number of sports & Recreation programmes conducted	4 Sports & Recreation programmes (Golden Games, Indegenous Games, Nongoma Mayoral Cup, Nongoma Mayoral Marathon) conducted by 30 June 2020
		Promote healthy and safety environment	<b>C2.4</b>	Number of Road Safety Campaigns conducted	2 road safety awareness programmes held by 30 June 2021

KPA 4: Financial Viability and Management					
GOAL	OBJECTIVE	STRATEGY	KPI NO	KPI	TARGET
Improved Financial viability and sustainability	D1.To ensure sound financial viability and management	Implementation of revenue enhancement strategy	D1.1	Number of policies tabled to Council in compliance with MFMA Section 64(2)(a)	3 policies (Tariff Policy; Credit Control; Debt Collection Policy) tabled to Council for approval by 31 May 2020
			D1.2	Ratio in compliance with MFMA Section 64(2)(a)	Outstanding Service Debtors to Service Revenue ratio maintained at less than 30 percent throughout the 2019/2020 FY
			D1.3	Ratio in compliance with MFMA Section 65(2)(e)	More than 1 Debt coverage Ratio maintained throughout the 2019/2020 FY
		Develop, implement and monitor standard operating procedures related to expenditure management	D1.4	Date of compliance with MFMA Section 65(2)(c)	Cash and Accounts Payable Management Policy approved by Council by 31 May 2020
			D1.5	Ratio compliance with MFMA Section 65(2)(e)	More than 1 Cost Coverage Ratio maintained throughout the 2019/2020 FY
			D1.6	Date of adoption of Budget	2020/2021 MTREF approved by Council by 31 May 2020
		Develop a credible budget and report in accordance with the provisions of the MFMA	D1.7	Number of reports submitted to Mayor in compliance with MFMA Sec.71	Report Monthly to the Mayor in Terms MFMA Section 71
			D1.8	Number of reports in compliance with MFMA Sec.52, 66 & 72	Report Quarterly to Council in terms of MFMA Sec 52, 66 & 72 during 2019/2020 FY
		To Effectively Implement Supply Chain Management Regulations	D1.9	Date of adoption of a Procurement Plan	2019/20 Annual Procurement Plan adopted by 31 Jul 2019; with 2020/2021 Annual Procurement Plan adopted by 30 June 2020
			D1.10	Number of procurement	3 Procurement Plan implementation

				plan implementation reports submitted to Council	reports submitted to Council for noting by 30 June 2020
		Monitor implementation of audit action plan on regular basis	<b>D1.11</b>	Percentage compliance with MFMA Section 131(1)	100% of 2018/2019 Auditor General Findings raised against the Finance Department resolved by 30 Nov 2019
		Monitor spending on conditional grants	<b>D1.12</b>	Percentage compliance with DORA Section 21 - Unspent Conditional Grants	100% of MIG grant cash backed throughout 2019/2020 financial year.
		2019/2020 Budget implementation	<b>D1.13</b>	Percentage compliance with MFMA Section 69(1)(a)	Maintain > 95% spending on operating Adjusted budget by 30 June 2020
			<b>D1.14</b>	Percentage compliance with MFMA Section 69(1)(b)	Maintain >95% implementation of Service Charges Revenue Budget evenly throughout 2019/2020 financial year.
	D2. Effectively Implement asset management regulation	Implementation, monitoring and adherence to asset management policies and regulations.	<b>D2.1</b>	Number of reports tabled to Accounting Officer in compliance with Asset Management Regulations	2 Asset Management reports to the Accounting Officer during 2019/2020 FY
<b>KPA 5: Good Governance &amp; Public Participation</b>					
<b>GOAL</b>	<b>OBJECTIVE</b>	<b>STRATEGY</b>	<b>KPI NO</b>	<b>KPI</b>	<b>TARGET</b>
<b>Responsive, Transparent participatory and accountable municipal governance</b>	<b>E1. To integrate Risk Management, Compliance processes into the performance management system of the organisation.</b>	Development and monitor Risk Management register in line with the municipal strategic document (IDP) implementation	<b>E1.1</b>	Date of Risk Management Committee established	Risk Management Committee established by 30 September 2019
			<b>E1.2</b>	Number of Risk Management Committee meetings held by 30 June 2020	4 Risk Management Committee meetings held by 30 June 2020

		Establishment of Asset Management Committee	E1.3	Date of establishment of the Asset Management Committee	Asset Management Committee established by 31 December 2019
	E2. To ensure Institutional accountability and transparency	Implementation of internal audit systems	E2.1	Number of Audit Action Plan reports submitted to Audit Committee	4 Audit Action reports submitted to the Audit Committee by 30 June 2020
		Implementation of Back to Basics Action Plan	E2.2	Percentage of implemented matters in the B2B Action Plan according to stipulated time frames	100% implementation of B2B by 30 June 2020
	E3. To promote effective public participation in the affairs of the municipality	Development and implementation Public Participation Framework	E3.1	Date of adopting Public Participation Framework	Council-adopted Public Participation Framework by 31 December 2019
				Number of Public Participation reports submitted to EXCO	2 reports submitted by 30 June 2020
		Implementation of the Communication Strategy	E3.2	Number of progress reports on the implementation of Communication Strategy	2 reports on the implementation of Communication strategy
		Strengthening the functionality of ward committees	E3.3	Number of Ward Functionality reports submitted to EXCO	4 Ward Functionality reports submitted
KPA 6:Cross-cutting Issues					
GOAL	OBJECTIVE	STRATEGY	KPI NO	KPI	TARGET
Improve spatial equity and environmental sustainability	F1. To provide strategic planning support across the organization, i.e. IDP	Development of a credible Integrated Development Planning (IDP)	F1.1	Date of adopting the 2020/2021 IDP Process plan	Council-adopted 2020/2021 IDP Process Plan by 31 August 2019
			F1.2	Date of adopting of an 2020/2021 IDP document	Council-adopted 2020/2021 IDP by 30 June 2019

	<b>F2. To promote a functionally structured urban and rural spatial development pattern guided by identified nodes and corridors through an effective land use management system</b>	Development of a SPLUMA-compliant Spatial Development Framework (SDF)	<b>F2.1</b>	Date of adopting the Spatial Development Framework (SDF)	Council-adopted SDF by 31 December 2019
		Process SPLUMA applications within the legislated timeframes	<b>F2.2</b>	Number of SPLUMA applications reports submitted to Joint Municipal Planning Tribunal(JMPT)	2 SPLUMA applications reports submitted to JMPT
		Maintain and improve the environmental integrity of Nongoma municipal area of jurisdiction	<b>F2.3</b>	Number of Environmental Planning tools developed	1 Environmental Planning tool (Climate Change Response Strategy) developed by 30 June 2020
	<b>F3. To ensure functional and responsive Disaster Management Unit</b>	Implementation of Disaster Management Plan	<b>F3.1</b>	Number of reports towards the implementation of Disaster Management Plan	4 reports on Disaster Management Plan implementation.

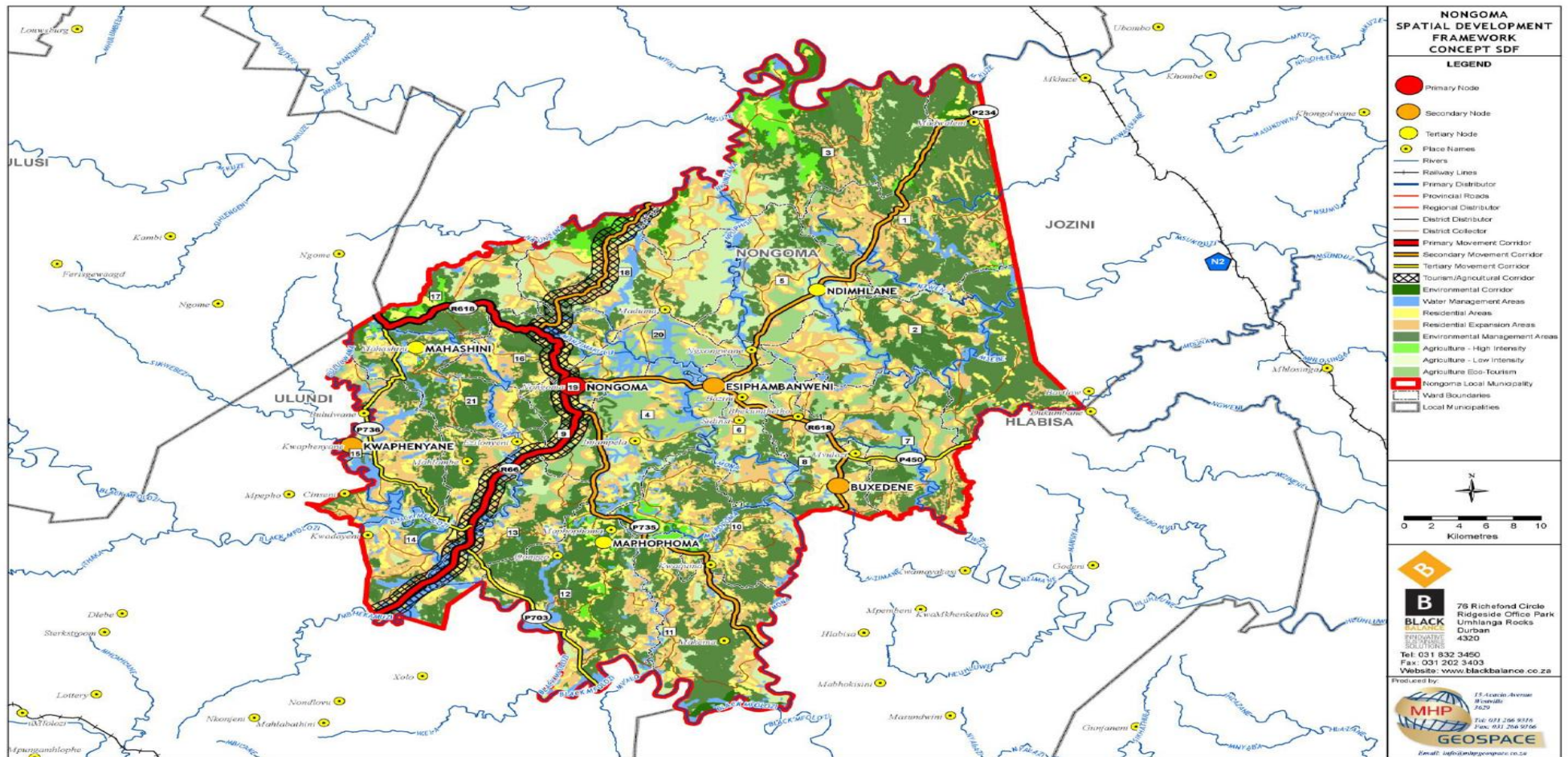
## 5. SECTION E: SPATIAL STRATEGIC INTERVENTION

### 5.1. STRATEGIC MAPPING

The Municipality is currently reviewing its Spatial Development Framework and has identified nodes and corridors within which specified development should take place. Upon the completion of the SDF, a Corridor Master Plan will be developed. The Corridor Master Plan will help unpack developmental activities along identified activities. The Master plan will also be central to other municipal sector plans such as LED/Tourism Strategy, Agriculture Sector Plan etc.

- **PRIMARY NODE**
  - **Nongoma Town:** the main commercial and service node servicing the entire municipality
- **SECONDARY NODES**
  - **Buxedene:** service node with economic opportunity (proposed mall, pastry project)
  - **Enyokeni Cultural Hub:** economic node through cultural activities and social services
  - **Esiphambanweni/Mona:** monthly open market, with few full time traders
- **TERTIARY (SERVICE) NODES**
  - Maphophoma
  - KwaPhenyane
  - Ndimhlane
  - KwaPhenyane
  - Mahhashini

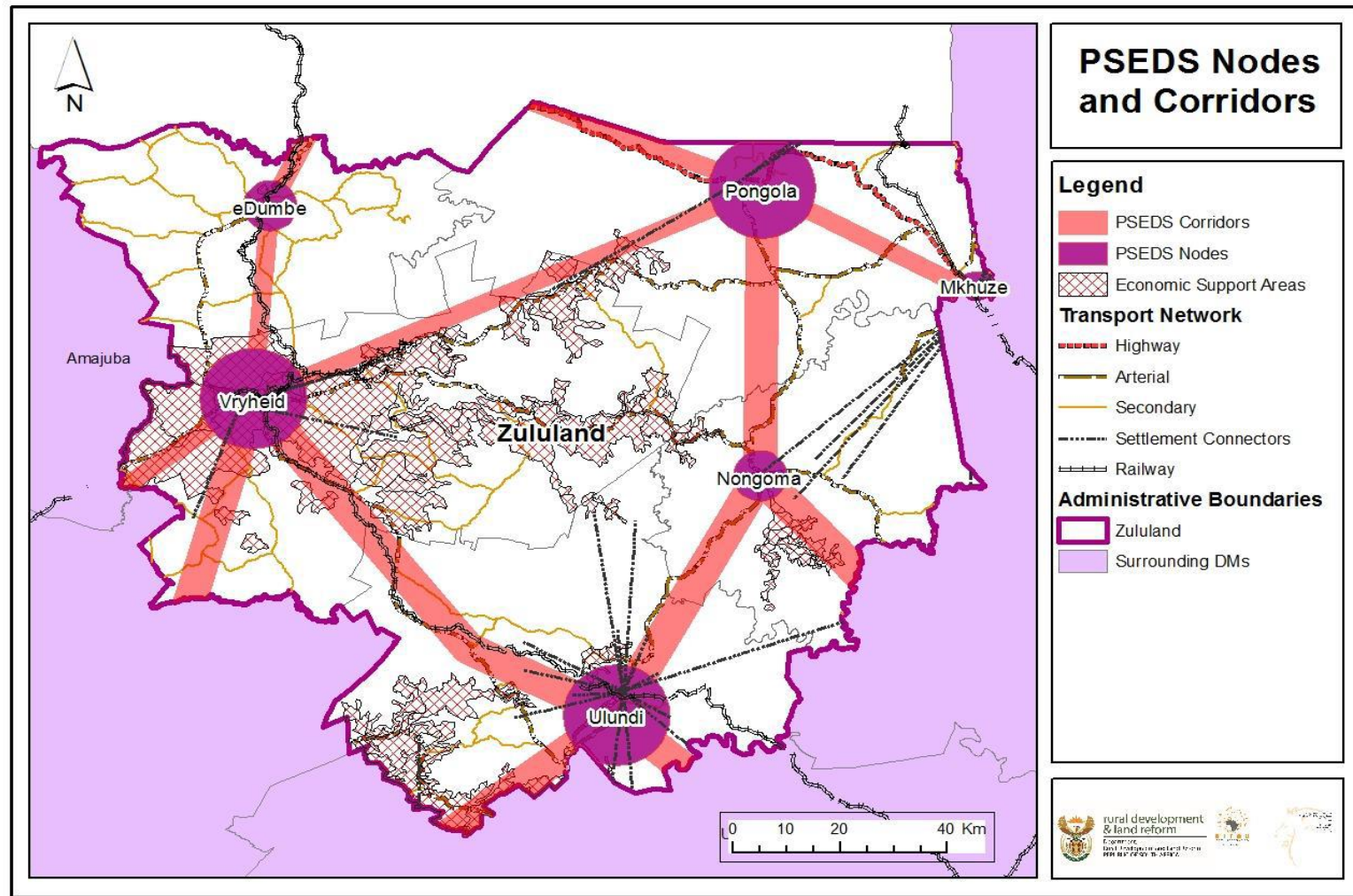
Map 30: Nongoma municipality's Desired Spatial Outcomes

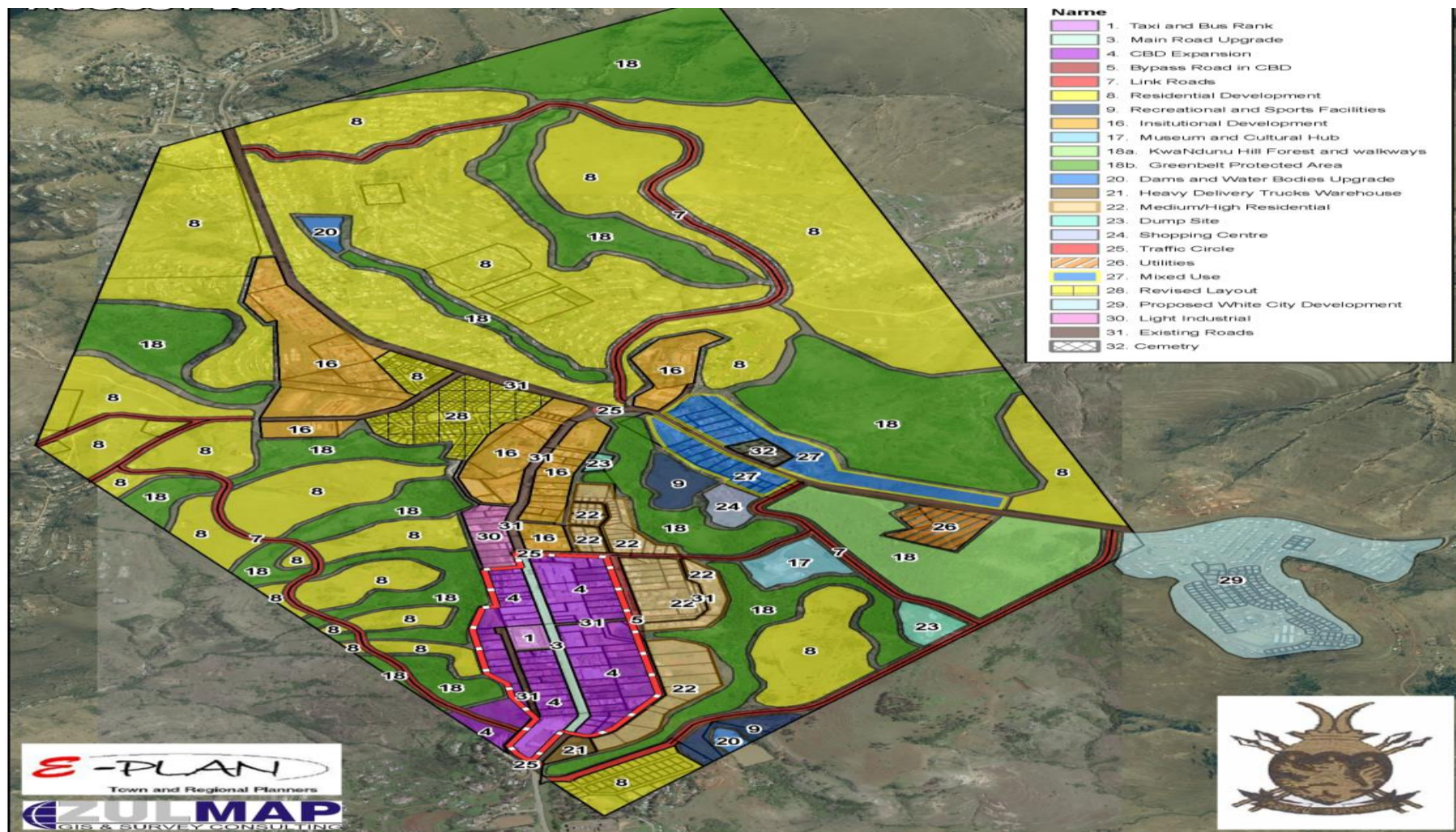


Source:NLM ,SDF (Black balance)



### 5.3 Provincial Strategic Priority Areas





Spatial Development Framework at a local municipal level should be aligned with other local municipalities' SDF within a District, which in turn should be reflected in a District SDF. A local municipality's SDF should also take into consideration the SDFs of the neighbouring local municipalities (inclusive of municipalities of the neighbouring Districts, as long as there is border-sharing between the municipalities).

In order to develop proposals that are not contradictory to proposals made by adjacent municipalities, it is necessary to consider the Spatial Development Frameworks of the Adjacent Municipalities. This section therefore deals with alignment with the adjacent municipalities, which includes the following Municipalities:

- uLundi Local Municipality: The two municipalities share their borders and are connected through R66. This primary corridor has a very high economic growth potential within all three sectors, and serves areas of high poverty.
- AbaQulusi Local Municipality: The two municipalities are linked through R618 linking Nongoma town and Vryheid. R168 is identified as a secondary transport corridor.
- oPhongolo Local Municipality: As with the case of uLundi municipality; Nongoma Lm shares its border with oPhongolo LM and are connected through R66. This primary corridor has a very high economic growth potential within all three sectors, and serves areas of high poverty.
- Big 5 Hlabisa Local Municipality: The two municipalities are connected through 2 routes, i.e. R618 linking Nongoma to Hlabisa/Hluhluwe and the N2 (South East) and P735 linking Nongoma to the southern parts of Hlabisa near the Hluhluwe Imfolozi Park. These corridors are identified as Tourism corridor (Route 22 corridors); and
- Jozini Local Municipality: These two municipalities are connected through P234 linking Mona Market to Mkuze (North)

## 6. SECTION F: FINANCIAL PLAN

### 6.1. BACKGROUND

National Treasury prescribes the guidelines of the MTREF period through a sustained and viable process as taken from the priorities of the country's National Development Plan. The Act requires, as a core component of the IDP, the production of a Financial Management Plan (FMP) that ".....must include a budget projection for at least the next three years...." (Section 26. (h)).

The FMP forms the cornerstone of any planning and financial strategy of the Municipality within the limits of available financial resources. The IDP is accordingly supported by a realistic estimation of available funding in terms of the capital and operational budget of the Municipality, encapsulated in its Medium Term Expenditure Framework (MTEF).

However, as economic uncertainty continues throughout the country, it is imperative that we take a conservative approach to the budget in order to give financial stability and start building financial reserves for the municipality. Controlling municipal spending by spending less than the municipality takes in, demonstrates a commitment to common-sense budgeting and economic health that Nongoma Municipality deserve. In addition the Municipality has been able to sustain cost containment or austerity measures program during the budgeting process, and that is an ongoing process.

The municipality has adopted a very conservative approach in the preparation of 2019/2020 MTREF as the municipality's revenue base (major portion being grants and subsidies) has begun to shrink, while operation expenditure continues to grow at CPI with employee related cost growing at rate above CPI due to the collective wage agreement.

The implementation of regulations on municipal standard chart of account (MSCOA), has assisted the municipality in away from cost line budgeting towards project-based budgeting.

### 6.2. BUDGET SUMMARY

Figure 30: Consolidated Overview of the 2019/20 MTREF

Description	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Operating Revenue	154,996	152,373	176,134	174,244	199,820	209,913	223,192
Total Operating Expenditure	142,988	167,255	192,135	170,204	191,879	203,862	216,276
Surplus/(Deficit) for the year	<b>12,008</b>	- <b>14,882</b>	- <b>16,001</b>	<b>4,040</b>	<b>7,941</b>	<b>6,051</b>	<b>6,916</b>
Total Capital Expenditure	47,505	44,456	57,542	46,286	54,236	46,892	49,991

The above table summarises the overall budget for three years. Total operating revenue has grown by 15 per cent or R25million for 2019/20 financial year when compared to the 2018/19 adjusted budget. For the two outer years, operational revenue will increase by 5 and 6 per cent respectively.

Total operating expenditure for the 2019/20 financial year has been appropriated at R191 million and translates into a budget surplus of R7 million. When compared to the 2018/19 adjusted budget, operational expenditure has grown by 13 per cent in the 2019/20 budget and by 6 and 6 per cent for each of the respective outer years of the MTREF. The operating surplus for the two outer years remain constant at R6 million and then increases slightly to R6.9 million.

The tabled capital budget of R54 million for 2019/20 is 17 per cent more when compared to the 2018/19 adjusted budget.

### 6.3. CAPITAL BUDGET SUMMARY

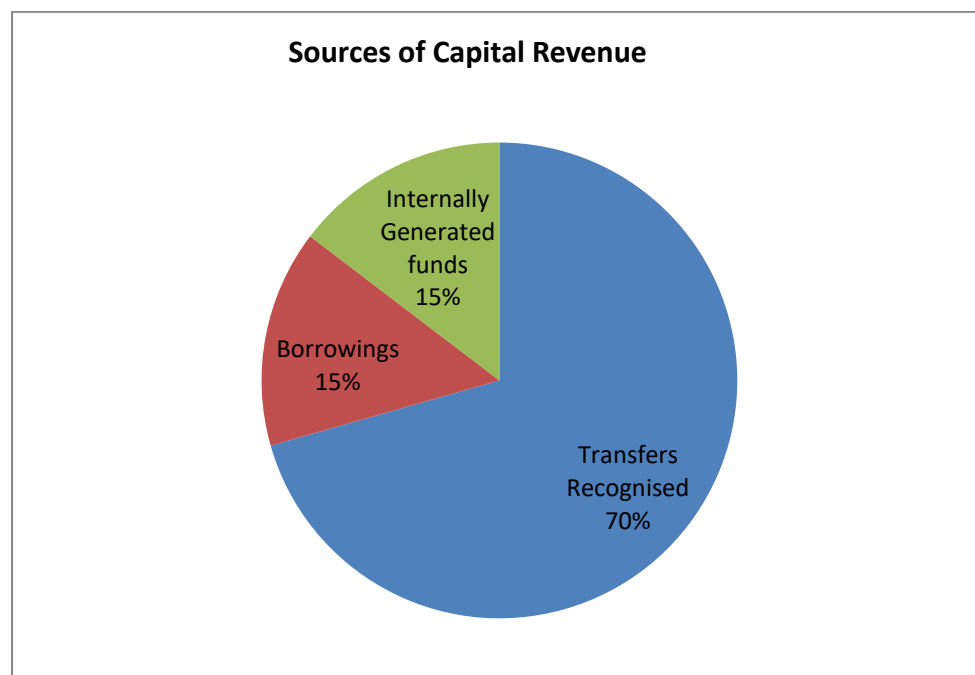
The following table below is a breakdown of the funding composition of the 2019/20 medium term capital programme:

Figure 31: Capital Funding

Vote Description	2019/20 Medium Term Revenue & Expenditure Framework		
	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>			
<b>Funded By:</b>			
National Government	38,279	42,428	44,828
Provincial Government			
<b>Transfers recognised - capital</b>	<b>38,279</b>	<b>42,428</b>	<b>44,828</b>
Public contributions & Donations			
Borrowing	8,015		
Internally generated funds	7,942	4,464	5,163
<b>Total Capital Funding</b>	<b>54,236</b>	<b>46,892</b>	<b>49,991</b>

The capital programme decreases to R46 million in 2020/21 financial year and increases to R49 million in 2021/22. A portion of the capital budget will be funded from borrowing for 2019/20 financial year which is anticipated at R8 million. Borrowing will contribute 14 per cent of the capital expenditure in 2019/20 financial year. The balance will be funded from internally generated funds and capital grants.

Figure 32: Source of Capital Revenue for Nongoma LM



Capital grants and receipts equates to 70 per cent of the total funding source which represents R38 million for the 2019/20 financial year and increase to R42 million by 2020/21. It is noticed that the municipality is highly dependent on grants for capital funding.

**Figure 33: Budgeted Capital Expenditure by function**

Vote Description R thousand	2015/16	2016/17	2017/18	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b><u>Capital Expenditure - Functional</u></b>							
<b><i>Governance and administration</i></b>	<b>1,110</b>	<b>145</b>	<b>2,011</b>	<b>290</b>	<b>8,007</b>	<b>4,464</b>	<b>5,163</b>
Executive and council	569				1,900		
Finance and administration	541	145	2,011	290	6,107	4,464	5,163
<b><i>Community and public safety</i></b>	<b>-</b>	<b>-</b>	<b>1,700</b>	<b>-</b>	<b>950</b>	<b>-</b>	<b>-</b>
Community and social services			700		950	-	-
Public safety			1,000				
<b><i>Economic and environmental services</i></b>	<b>36,068</b>	<b>46,561</b>	<b>59,378</b>	<b>35,036</b>	<b>37,029</b>	<b>33,494</b>	<b>35,828</b>
Planning and development		4,890	1,000				
Road transport	36,068	41,672	58,378	35,036	37,029	33,494	35,828
Environmental protection							
<b><i>Trading services</i></b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>15,000</b>	<b>8,250</b>	<b>8,934</b>	<b>9,000</b>
Energy sources				15,000	8,000	8,934	9,000
Waste management			1,000		250		
<b><i>Other</i></b>							
<b>Total Capital Expenditure - Functional</b>	<b>37,178</b>	<b>46,706</b>	<b>64,089</b>	<b>50,326</b>	<b>54,236</b>	<b>46,892</b>	<b>49,991</b>

The above table is a breakdown of the capital programme in relation to capital expenditure by municipality function. Single-year capital expenditure has been appropriated at R54 million for 2019/20 financial year and reduces slightly in to R46 million and R49 respectively for the two outer years.

Single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

Figure 34: Summary of Budgeted Capital projects

PROJECT NAME	Location	FUNDING	Category	Amount
Mphuphusi Sports Facility (Ward 5)	Ward 5	MIG	Sports Facility	R 601,717
Mona Sportsfield Ward 4 (AFA)	Ward 4	MIG	Road	R 884,810
Upgrade of Buxedene to Mission Gravel Road (Ward 8)	Ward 8	MIG	Road	R 1,266,13
Qedumona Sports Facility (Ward 11)	Ward 11	MIG	Sports Facility	R 120,000
Upgrade of Kwa-Matsheketshe Gravel Road (Ward 2)	Ward 2	MIG	Road	R 121,266
Upgrade of Nkolweni Gravel Road (Ward 10)	Ward 10	MIG	Road	R 4,383
Upgrading of Mankulumane Gravel Road (Ward 15)	Ward 15	MIG	Road	R 973,811
Emzweni Community Hall (Ward 18)	Ward 18	MIG	Community Hall	R 251,444
Ekubuseni Creche (Ward 13)	Ward 13	MIG	Creche	R 111,844
Ophaphasi Community Hall (Ward 5)	Ward 5	MIG	Community Hall	R 800,000
Sgubudu Community Hall (Ward 12)	Ward 12	MIG	Community Hall	R 1,300,000
Upgrade of Bhuqweni Gravel Roads (Ward 17)	Ward 17	MIG	Road	R 1,134,610
Upgrade of Matshamhlophe Gravel Road (Ward 12)	Ward 12	MIG	Road	R 1,000,000
Emaye Community Hall and Creche (Ward 11)	Ward 11	MIG	Community Hall	R 1,000,000
Upgrade of Foma Gravel Road (Ward 15)	Ward 15	MIG	Road	R 1,000,000
Upgrade of Esikhaleni Roads (Ward 9)	Ward 9	MIG	Road	R 2,000,000
Nqokotho Hall (Ward 16)	Ward 16	MIG	Community Hall	R 1,500,000
Upgrading of Siyondlo Gravel Road (Ward 21)	Ward 21	MIG	Road	R 2,000,000
Upgrading of Gobamagagu Road (Ward 13)	Ward 13	MIG	Road	R 2,000,000
Kwansele Creche (Ward 14)	Ward 14	MIG	Crèche	R 2,249,049
Street lights in tonwn	Ward 19	MIG	street lights	R 2,000,000
Ndololwane Creche (Ward 6)	Ward 6	MIG	Crèche	R 2,000,000
Esigangeni Road (ward20)	Ward 20	MIG		R 500,000
Upgrade of Nzondwane to Ndongande Low Level Bridge/ Gravel Road	Ward 7	MIG	Road	R 4,000,000
Upgrade of Qondile to KwaJuba Low Level Bridge / Gravel Road	Ward 3	MIG	Road	R3,100,000
Mangamhlophe Sport Field	Ward 21	OWN	Sports field	R 2,125,148
Mfanela Road and Causeway	Ward 18	OWN	Road/causeway	R3 500,000
Mcakwini/Nkukhwini(ward1)	Ward 1	INEP	237 Connections	R 4,030,000
Ebuhleni(ward2)	ward 2	INEP	160 Connections	R 2,720,000
Dabhazi(ward11)	Ward 11	INEP	73Connections	R 1,250,000
Bonjeni (ward 4)	Ward 4	INEP	20 Connections	R150,000
4x2 Bakkie X1 single cab		Finance Lease		R 750,000
4x4 bakkie land cruiser(disaster)		Finance Lease		R 700,000
4x2 Bakkie TOYOTA PRADO		Finance Lease		R 700,000
4 x 4 double cap (technical)		Finance Lease		R 1,000,000

TOYOTA Fortuner x2		Finance Lease		R 1,000,000
sedan x1		Finance Lease		R 200,000
Grader		Finance Lease		R 3,665,004
Tools and Equipment				R 1,942,000
<b>TOTAL</b>				<b>R 54,236,353</b>

## 6.4. OPERATIONAL BUDGET SUMMARY

### 6.4.1. Operating Revenue Framework

Nongoma Municipality requires sustainable revenue streams in order to improve the lives of its citizens. The Municipality must continuously review revenue management processes to ensure that revenue is protected and the municipality has an ability to maximize the revenue generating potential of all revenue sources through adequate and effective controls and allow for investment opportunities that will accelerate economic growth in the municipality.

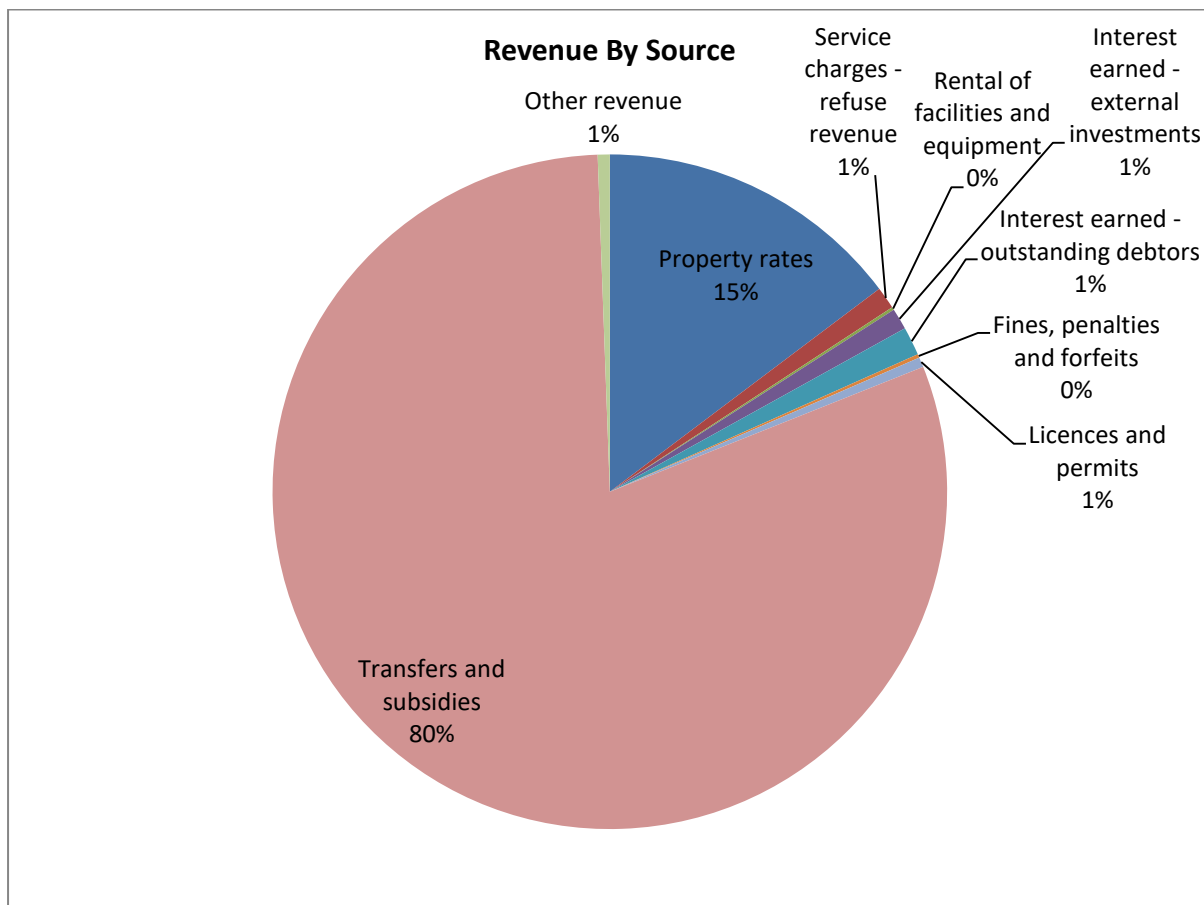
In comparison with the previous year, there are more favourable trends for the coming year, where it is observed that commodity prices have stabilised; drought conditions have improved across the country.

The GDP is projected to increase from 1.7% in 2019 to 2.1% in 2020 with a moderate growth over the medium term with 2.3 per cent in 2021 (Source - NT 2019/20 Budget Circular No. 93). There is a projected slight improvement in the economy. However, the economy is still constrained which compels projected revenue growth to be more consecutive which also impact on the collection level of the generated revenue. This adversity in economy is seen through the revision of 2018 GDP growth from 1.5 per cent to 0.7 percent.

**Figure 35: Summary of revenue classification by main source**

Description	2015/16	2016/17	2017/18	Current Year		2019/20 Medium Term Revenue & Expenditure Framework					
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year +1 2020/21	%	Budget Year +2 2021/22	%
<b>Revenue By Source</b>											
Property rates	18,230	19,507	20,848	22,995	13%	29,427	15%	30,957	15%	32,567	15%
Service charges - refuse revenue	1,685	1,723	1,824	2,018	1%	2,123	1%	2,234	1%	2,350	1%
Rental of facilities and equipment	60	167	192	246	0%	277	0%	292	0%	308	0%
Interest earned - external investments	1,814	1,663	1,556	1,940	1%	2,041	1%	2,147	1%	2,259	1%
Interest earned - outstanding debtors	-	2,444	3,160	2,600	1%	2,735	1%	2,877	1%	3,027	1%
Fines, penalties and forfeits	2,401	268	294	324	0%	346	0%	367	0%	389	0%
Licences and permits	768	869	875	888	1%	945	0%	1,003	0%	1,062	0%
Transfers and subsidies	129,307	124,718	131,985	141,959	81%	160,773	80%	168,827	80%	179,993	81%
Other revenue	730	1,014	15,399	1,273	1%	1,152	1%	1,207	1%	1,237	1%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>154,996</b>	<b>152,373</b>	<b>176,134</b>	<b>174,244</b>	<b>100%</b>	<b>199,820</b>	<b>100%</b>	<b>209,913</b>	<b>100%</b>	<b>223,192</b>	<b>100%</b>

Figure 36: Revenue by source



In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue from government grants forms a significant percentage of the revenue basket for the Municipality. The municipality is highly grant dependent, the municipality is in the process of reviewing its revenue enhancement strategy to ensure that the existing revenue generation is maintained and collected and explore new revenue opportunities and also attract new investment within the jurisdiction of the municipality. The above table and pie chart indicate that 80 per cent of the 2019/20 revenue is coming from government grants and only 20 per cent is revenue generated by the municipality.

The overall increase in revenue from 2018/19 financial year to 2019/2010 is 15 per cent. In the two outer years revenue will grow by 5 per cent. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Figure 37: Operating Grants & Subsidies allocated to Nongoma LM**

Description  R thousand	2015/16	2016/17	2017/18	Current Year	2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>RECEIPTS:</b>							
-							
<b><u>Operating Transfers and Grants</u></b>							
<b>National Government:</b>	<b>128,397</b>	<b>123,980</b>	<b>131,076</b>	<b>140,318</b>	<b>158,492</b>	<b>166,403</b>	<b>177,362</b>
Local Government Equitable Share	124,217	121,046	128,137	136,733	154,506	164,433	175,392
Finance Management	1,800	1,825	1,900	1,970	1,970	1,970	1,970
Municipal Systems Improvement	930		–	–	–	–	–
EPWP Incentive	1,450	1,109	1,039	1,615	2,016	–	–
<b>Provincial Government:</b>	<b>850</b>	<b>738</b>	<b>771</b>	<b>1,641</b>	<b>2,281</b>	<b>2,424</b>	<b>2,581</b>
Provincialisation of Libraries	553	559	583	838	880	924	975
Community Library Services	170	179	188	753	1,401	1,500	1,606
Sports Fields Maintenance	–	–	–	50	–	–	–
Schemes Support Programme	127	–	–	–	–	–	–
<b>Total Operating Transfers and Grants</b>	<b>129,246</b>	<b>124,718</b>	<b>131,847</b>	<b>141,959</b>	<b>160,773</b>	<b>168,827</b>	<b>179,943</b>

As indicated above, there has been an increase of 13 per cent from 2018/19 financial year. The outer years will increase by 5 per cent and 6 per cent respectively.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

The Municipality has strived to ensure that affordability takes preference over the just achieving the desired income from a tariff increases which would be counterproductive. The level of debt collection for the municipality has remained relatively consistent at 79 per cent throughout the years and continuous improvement in this area is continuously sort.

The “traditional area customer base” has a notable outstanding debt increase which has been accumulative over the years. Indigent Support effective from 2019/20 will be rolled out to target those who cannot afford services who meet the requirements of an indigent consumer.

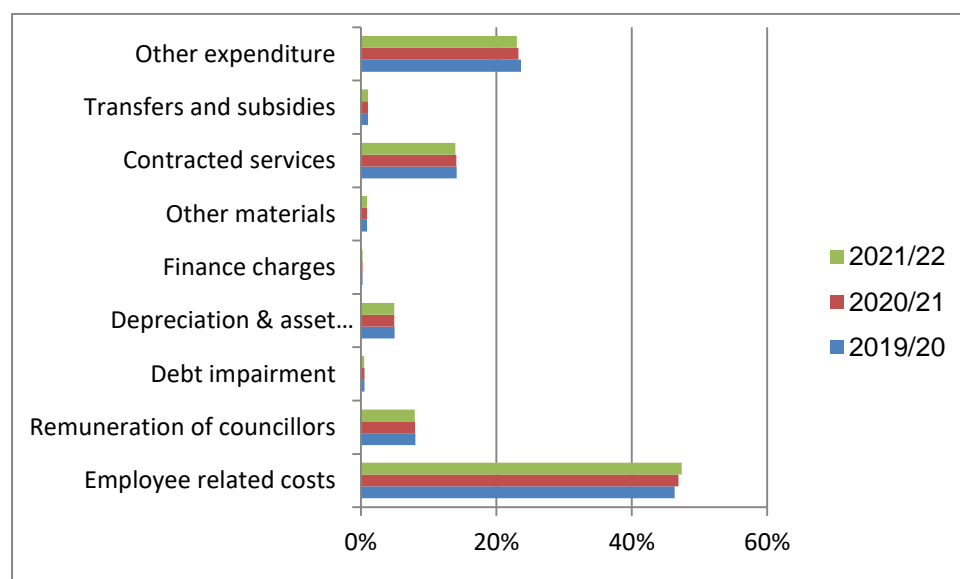
## 6.4.2. Operating Expenditure Framework

Table 25: Nongoma LM's expenditure in the past years

Description	2015/16	2016/17	2017/18	2018/19		2019/20 Medium Term Revenue & Expenditure Framework					
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year +1 2020/21	%	Budget Year +2 2021/22	%
<b>Expenditure By Type</b>											
Employee related costs	67,661	73,795	84,112	83,215	49%	88,901	46%	95,626	47%	102,485	47%
Remuneration of councillors	12,495	13,185	13,815	14,822	9%	15,487	8%	16,323	8%	17,205	8%
Debt impairment	1,807	3,977	2,326	1,736	1%	1,000	1%	1,052	1%	1,107	1%
Depreciation & asset impairment	10,396	16,389	17,931	4,916	3%	9,599	5%	10,098	5%	10,623	5%
Finance charges	129	142	243	60	0%	500	0%	526	0%	553	0%
Other materials		5,119	5,901	1,386	1%	1,785	1%	1,878	1%	1,975	1%
Contracted services	12,328	28,791	24,615	29,866	18%	27,145	14%	28,786	14%	30,216	14%
Transfers and subsidies	211	150	1,500	1,550	1%	2,050	1%	2,157	1%	2,269	1%
Other expenditure	37,961	24,887	33,178	32,654	19%	45,413	24%	47,416	23%	49,846	23%
Loss on disposal of PPE		821	8,513								
<b>Total Expenditure</b>	<b>142,988</b>	<b>167,255</b>	<b>192,135</b>	<b>170,204</b>	<b>100%</b>	<b>191,879</b>	<b>100%</b>	<b>203,862</b>	<b>100%</b>	<b>216,279</b>	<b>100%</b>

The table indicate that the municipality's expenditure in the past years and the budget year and two outer years. As it can be illustrated that municipality is spending above 40 per cent of its budget on employee related cost. The municipality had budgeted for an overall increase of 13 per cent in 2019/20 and the increase will decrease to 6 per cent in each of the outer years.

Table 26: Major contributors of municipality's expenditure



The above figure indicate the major contributors of the municipality's expenditure during 2019/20 and the two outer years, as indicated above employee related costs are the major contributor of the municipality's expenditure trend will continue in next two years.

### 6.4.3. Funding of Operational Expenditure

The below table indicate the cash flow projections for the municipality over the next three years.

Table 27: Operational Expenditure

Description	2019/20 Medium Term Revenue & Expenditure Framework		
	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Property rates	23,247	24,456	26,103
Service charges	1,677	1,765	1,856
Other revenue	2,720	2,870	2,997
Government - operating	160,773	168,827	179,993
Government - capital	39,873	42,428	44,828
Interest	2,041	2,147	2,259
<b>Payments</b>			
Suppliers and employees	(177,343)	(188,381)	(199,842)
Finance charges	(835)	(536)	(198)
Transfers and Grants	(1,550)	(1,631)	(1,715)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>50,604</b>	<b>51,946</b>	<b>56,280</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts</b>			
Proceeds on disposal of PPE	–	–	–
Decrease (Increase) in non-current debtors	–	–	–
Decrease (increase) other non-current receivables	–	–	–
Decrease (increase) in non-current investments	–	–	–
<b>Payments</b>			
Capital assets	(46,221)	(46,892)	(49,991)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(46,221)</b>	<b>(46,892)</b>	<b>(49,991)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Receipts</b>			
Short term loans	–	–	–
Borrowing long term/refinancing	–	–	–
Increase (decrease) in consumer deposits	–	–	–
<b>Payments</b>			
Repayment of borrowing	(2,360)	(2,659)	(2,996)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(2,360)</b>	<b>(2,659)</b>	<b>(2,996)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>2,023</b>	<b>2,396</b>	<b>3,293</b>
Cash/cash equivalents at the year begin:	<b>3,526</b>	<b>5,549</b>	<b>7,945</b>
Cash/cash equivalents at the year end:	<b>5,549</b>	<b>7,945</b>	<b>11,237</b>

The above table indicate that the municipality will have enough cash resources to meeting both its operational and capital expenditure over the MTREF. During 2019/20, the

municipality will have R5 million left on the bank account and that will increase to R7 million and 11 million in the next two outer years.

## **6.5. FINANCIAL STRATEGY FRAMEWORK**

Nongoma Municipality is a developing and growing municipality striving for service delivery excellence. Therefore many challenges are faced with regards to financial planning and are ever changing due to the dynamic setting of local government.

The priority for the municipality, from the financial perspective is to ensure viability and sustainability of the municipality. The multi-year financial plan and related strategies will therefore need to address a number of key areas in order to achieve this priority. These strategies are detailed below:

### **6.5.1. Revenue Enhancement Strategy**

- To seek alternative sources of funding;
- Expand income base through implementation of new valuation roll;
- The ability of the community to pay for services;
- Identification and pursuance of government grants;
- Tightening credit control measures and debt collection targets;
- Improve customer relations and promote a culture of payment;
- Realistic revenue estimates;
- The impact of inflation, the municipal cost index and other cost increases; and
- The creation of an environment which enhances growth, development and service delivery.

### **6.5.2. Asset Management Strategy**

- Maintenance of asset according to an infrastructural asset maintenance plan;
- Maintain a system of internal control of assets to safeguard assets; and
- Ensure all assets owned and/or controlled except specific exclusions are covered by insurance.

### **6.5.3. Financial Management Strategy**

- To maintain an effective system of expenditure control including procedures for the approval, authorization, withdrawal and payment of funds;
- Preparation of the risk register and application of risk control;
- Implement controls, procedures, policies and by-laws to regulate fair, just and transparent transactions;
- Training and development of senior financial staff to comply with prescribed minimum competency levels;
- Prepare annual financial statements timeously and review performance and achievements for past financial years.

#### **6.5.4. Operational Financial Strategies**

- Effective cash flow management to ensure continuous, sufficient and sustainable cash position;
- Enhance budgetary controls and financial reporting;
- Direct available financial resources towards meeting the projects as identified in the IDP; and
- To improve Supply Chain Management processes in line with regulations.

#### **6.5.5. Capital Financing Strategies**

- Ensure service delivery needs are in line with multi-year financial plan;
- Careful consideration/prioritization on utilizing available resources in line with the IDP;
- Analyse feasibility and impact on operating budget before capital projects are approved;
- Determine affordable limits for borrowing;
- Source external funding in accordance with affordability;
- Improve capital budget spending; and
- Maximizing of infrastructural development through the utilisation of all available resource.

#### **6.5.6. Cost-effective strategy**

- Invest surplus cash not immediately required at the best available rates;
- Restrict capital and operating expenditure increases in relation to the inflation rate taking into consideration the macro economic growth limit guideline and municipal cost increases.
- To remain as far as possible within the following selected key budget assumptions:
  - Provision of bad debts of at least 20%;
  - Overall cost escalation to be linked to the average inflation rate;
  - Tariff increases to be in line with inflation plus municipal growth except when regulated;
  - Maintenance of assets of at least 8% of total operating expenditure;
  - Capital cost to be in line with the acceptable norm of 18%;
  - Outstanding external debt not to be more than 50% of total operating revenue less government grants; and
  - Utilisation of Equitable Share for indigent support through Free Basic Services

#### **6.5.7. Cost Cutting strategies**

- Ensure that nice to have expenses are eliminated
- To reduce cost of consultancy
- Elimination or minimisation of cost stipulate in MFMA circular 82

## 6.6. REVENUE MANAGEMENT FRAMEWORK

In order to serve the community and to render the services needed, revenue generation is fundamental to financial sustainability of every municipality.

The reality is that we are faced with developmental backlogs and poverty, challenging our revenue generation capacity. The requests always exceed the available funds. This becomes more obvious when compiling the municipality's annual budget.

Municipalities must table a balanced and more credible budget, based on realistic estimation of revenue that is consistent with their budgetary resources and collection experience.

The revenue strategy is a function of key components such as:

- Growth in town and economic development;
- Revenue enhancement;
- Achievement of above 90% annualized collection rate for consumer revenue;
- National Treasury guidelines;
- Approval of full cost recovery of specific department;
- Determining tariff escalation rate by establishing/calculating revenue requirement; and
- Ensuring ability to extent new services and recovering of costs thereof

The South African economy is slowly recovering from the economic downturn and it will still take some time for municipal revenues to increase through local economic growth.

## 6.6. FINANCIAL MANAGEMENT POLICIES

The purpose of the financial policies is to provide a sound environment to manage the financial affairs of the Municipality. The key budget related policies are listed below:

- a) **Tariff Policy:** prescribes the procedures for calculating tariffs charged to the consumers. The policy is required in terms of Section 74 of the Local Government Municipal Systems Act, Act of 32 of 2000;
- b) **Rates Policy:** required by the Municipal Property Rates Act, Act 6 of 2004. This policy provides the framework for the determination of property rates.
- c) **Indigent Support Policy:** the policy is to ensure that the Municipality is providing and regulate access to free basic to all registered indigents;
- d) **Budget Policy:** sets out the principles which must be followed in preparing Medium Term Revenue and Expenditure Framework Budget. It further ensures that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.
- e) **Asset Management Policy:** the objective of the policy is to prescribe the accounting and administrative procedures relating to the property, plant and equipment.
- f) **Accounting Policy:** describes the basis of presentation of the Annual Financial Statements in accordance with the Generally Recognised Accounting Practices (GRAP) and Accounting Standards.
- g) **Supply Chain Management Policy:** is developed in terms of chapter 11 of the MFMA, Act 56 of 2003. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of Municipal Services.
- h) **Subsistence and Travel Policy:** regulates the reimbursement of travelling and subsistence costs to officials and Councillors attending official business.
- i) **Credit Control and Debt Collection:** provides for credit and debt collection procedures and mechanisms to ensure that all consumers pay for the services that are supplied by the municipality.
- j) **Cash Management, Banking and Investment Policy:** ensures that cash resources are managed in the most efficient and effective manner possible.

## **7. SECTION G: ANNUAL OPERATIONAL PLAN**

### **7.1. ORGANISATIONAL SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN**

This section provides a one year detailed implementation/operations plan for Nongoma municipality. It is an articulation of the Service Delivery & Budget Implementation Plans (SDBIP), and as such gives effect to the implementation of the IDP and the approved budget for the 2019/2020 financial year.

The SDBIP determines the performance agreements for the accounting officer and all section 57 employees, whose performance agreements can be monitored through Section 71 monthly reports. While departmental SDBIPs will be monitored and reported on monthly by the respective Senior Managers; the organisational SDBIP will be monitored and reported monthly by the municipal manager in terms of 71(1) (a) and (e).

The organizational SDBIP for Nongoma municipality is attached as Appendix 1 of this document.

The Annual Operation Plan of the Nongoma Municipality is presented below:

<b>CORPORATE SERVICES</b>							
<b>National KPA</b>	<b>Strategic Objectives</b>	<b>Key Performance Indicator</b>	<b>Unit of measure</b>	<b>Budget</b>	<b>Annual Target</b>	<b>POE</b>	<b>Regional Identifier/Ward</b>
Municipal Transformation and Institutional Development	Review and Implementation and monitoring of Human Resources Strategy	Date of adopting HRS	Date	R0,00	Council adopted HRS by 31 December 2019	HTRS & Council adoption	Administration and satellite offices
		Number of HRD Strategy Functionality assessment reports Submitted to Council	Number	R0,00	4 HRD Strategy Functionality assessment reports Submitted to Council for noting by 30 June 2019	4 HRD Strategy Functionality assessment reports	Administration and satellite offices
		Date of adopting the reviewed organogram	Date	R0,00	Council reviewed organogram by 31 March 2020	Organogram & Council resolution	Administration and satellite offices
	Review and implementation of Workplace Skills Plan	Number of EAP programmes conducted	Date	R0,00	4 EAP programmes conducted by 30 June 2020	4 EAP programmes	Administration and satellite offices
		Date of submitting the WSP	Date	R0,00	WSP submitted to LGSeta by 30 April 2020	Proof of submission	Administration and satellite offices
	Review and implementation of Employment Equity Plan	Percentage of budget spent on implementing WSP	Percentage	R0,00	100% of Municipality's budget allocated for WSP spent on implementation by 30 June 2020	Report indicating the percentage spent	Administration and satellite offices
		Date of adopting Employment Equity Plan	Date	R0,00	Council adopted Employment Equity Plan by 31 December 2019	Employment Equity Plan & Council adoption	Administration and satellite offices
		Number of people from previously disadvantaged groups appointed in 3 highest levels of management	Number	R0,00	1 people from previously disadvantaged groups appointed in 3 highest levels of management	Report indicating the number people from previously disadvantaged groups appointed in 3 highest levels of management	Administration and satellite offices
	Develop Implement	Number of ICT Framework	Number	R0,00	4 ICT Framework	4 ICT Framework	Administration

	and monitor ICT Governance Framework	functionality assessment reports submitted to Council			functionality assessment reports submitted to Council for noting by 30 June 2019	functionality assessment reports	and satellite offices
<b>TECHNICAL SERVICES</b>							
National KPA	Strategic Objectives	Key Performance Indicator	Unit of measure	Budget	Annual Target	POE	Regional Identifier/Ward
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Mphuphusi Sports Facility (Ward 5)	Percentage	R 601,717	Mphuphusi Sports Facility (Ward 5)	Completion report	Ward 5
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Mona Sportsfield Ward 4 (AFA)	Percentage	R 884,810	Mona Sportsfield Ward 4 (AFA)	Completion report	Ward 4
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Buxedene to Mission Gravel Road (Ward 2)	Percentage	R 1,266,000	Upgrade of Buxedene to Mission Gravel Road (Ward 2)	Completion report	Ward 2
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Qedumona Sports Facility (Ward 11)	Percentage	R 120,000	Qedumona Sports Facility (Ward 11)	Completion report	Ward 11
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Kwa-Matsheketshe Gravel Road (Ward 2)	Percentage	R 121,266	Upgrade of Kwa-Matsheketshe Gravel Road (Ward 2)	Completion report	Ward 2
Basic Service Delivery & Infrastructure	Ensure continuous operations and maintenance of the	Upgrade of Nkolweni Gravel Road (Ward 10)	Percentage	R 4,383	Upgrade of Nkolweni Gravel Road (Ward 10)	Completion report	Ward 10

Development	existing infrastructure to ensure functionality						
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrading of Mankulumane Gravel Road (Ward 18)	Percentage	R 973,811	Upgrading of Mankulumane Gravel Road (Ward 18)	Completion report	Ward 18
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Emzwani Community Hall (Ward 18)	Percentage	R 251,444	Emzwani Community Hall (Ward 18)	Completion report	Ward 18
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Ekubuseni Creche (Ward 13)	Percentage	R 111,844	Ekubuseni Creche (Ward 13)	Completion report	Ward 13
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Ophaphasi Community Hall (Ward 5)	Percentage	R 800,000	Ophaphasi Community Hall (Ward 5)	Completion report	Ward 5
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Sgubudu Community Hall (Ward 12)	Percentage	R 1,300,000	Sgubudu Community Hall (Ward 12)	Completion report	Ward 12
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Bhuqweni Gravel Roads (Ward 17)	Percentage	R 1,134,610	Upgrade of Bhuqweni Gravel Roads (Ward 17)	Completion report	Ward 17
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Matshamhlophe Gravel Road (Ward 12)	Percentage	R 1,000,000	Upgrade of Matshamhlophe Gravel Road (Ward 12)	Completion report	Ward 12
Basic Service	To provide high	Emaye Community Hall and	Percentage	R 1,000,000	Emaye Community	Completion report	Ward 14

Delivery & Infrastructure Development	quality infrastructure network to support improved quality of life and economic growth	Creche (Ward 14)			Hall and Creche (Ward 14)		
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Foma Gravel Road (Ward 15)	Percentage	R 1,000,000	Upgrade of Foma Gravel Road (Ward 15)	Completion report	Ward 15
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Esikhaleni Roads (Ward 9)	Percentage	R 2,000,000	Upgrade of Esikhaleni Roads (Ward 9)	Completion report	Ward 9
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Nqokotho Hall (Ward 16)	Percentage	R 1,500,000	Nqokotho Hall (Ward 16)	Completion report	Ward 16
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrading of Siyondlo Gravel Road (Ward 21)	Percentage	R 2,000,000	Upgrading of Siyondlo Gravel Road (Ward 21)	Completion report	Ward 21
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrading of Gobamagagu Road (Ward 19)	Percentage	R 2,000,000	Upgrading of Gobamagagu Road (Ward 19)	Completion report	Ward 19
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Kwansele Creche (Ward 14)	Percentage	R 2,249,049	Kwansele Creche (Ward 14)	Completion report	Ward 14
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic	Street lights in town	Percentage	R 2,000,000	Street lights in town	Completion report	Ward 19

	growth						
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Ndololwane Creche (Ward 6)	Percentage	R 2,000,000	Ndololwane Creche (Ward 6)	Completion report	Ward 6
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Esigangeni Road (ward20)	Percentage	R 500,000	Esigangeni Road (ward20)	Completion report	Ward 20
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Nzondwane to Ndongande Low Level Bridge/ Gravel Road	Percentage	R 4,000,000	Upgrade of Nzondwane to Ndongande Low Level Bridge/ Gravel Road	Completion report	Ward 7
Basic Service Delivery & Infrastructure Development	Ensure continuous operations and maintenance of the existing infrastructure to ensure functionality	Upgrade of Qondile to KwaJuba Low Level Bridge / Gravel Road	Percentage	R 3,100,000	Upgrade of Qondile to KwaJuba Low Level Bridge / Gravel Road	Completion report	Ward 3
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Mangamhlophe Sport Field	Percentage	R 2,125,148	Mangamhlophe Sport Field	Completion report	Ward 21
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Mfanela Road and Causeway	Percentage	R 3,500,00	Mfanela Road and Causeway	Completion report	Ward 18
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Mcakwini/Nkukhwini(ward1)	Percentage	R 4,030,000	Mcakwini/Nkukhwini (ward1)	Completion report	Ward 1
Basic Service	To provide high	Ebuhleni(ward 2)	Percentage	R 2,720,000	Ebuhleni(ward 2)	Completion report	ward 2

Delivery & Infrastructure Development	quality infrastructure network to support improved quality of life and economic growth						
Basic Service Delivery & Infrastructure Development	To provide high quality infrastructure network to support improved quality of life and economic growth	Dabhazi(ward11)	Percentage	R 1,250,000	Dabhazi(ward11)	Completion report	Ward 11
Local Economic Development & Social Development	To create an enabling environment for economic growth and job creation	Number of jobs created through EPWP and other municipal programmes	Number	R 2,016,000	400 jobs created through EPWP and other municipal programmes		All wards

#### OFFICE OF THE MUNICIPAL MANAGER

National KPA	Strategic Objectives	Key Performance Indicator	Unit of measure	Budget	Annual Target	POE	Regional Identifier/Ward
Municipal Transformation and Institutional Development	To ensure implementation of functional performance management	Date of developing 2020/2021 Performance Management Policy Framework	Date	R0,00	2020/2021 Performance Management Policy Framework	2020/2021 Performance Management Policy Framework	Administration and satellite offices
		Date 2020/21 SDBIP developed and approved by the Mayor by 30 June 2020	Date	R0,00	2020/21 SDBIP	2020/21 SDBIP	Administration and satellite offices
		Date 2019/2020 SDBIP revised and approved by the Mayor	Date	R0,00	Revised 2019/2020 SDBIP	Revised 2019/2020 SDBIP and proof of approval	Administration and satellite offices
		Number of Organisational Quarterly performance reports submitted to Council by 30 June 2020	Number	R0,00	4 Organisational Quarterly performance reports	4 Organisational Quarterly performance reports	Administration and satellite offices
		Number of 2020/2021 performance agreements for S54/56 Managers signed by 31 July 2019	Number	R0,00	5 2020/2021 Performance agreements for S54/56 Managers	5 2020/2021 Performance agreements for S54/56 Managers	Administration and satellite offices
		Date of 2019/20 Mid-Term revision of S54/56 Managers	Date	R0,00	Revised 2019/20 Mid-Term	Revised 2019/20 Mid-Term	Administration and satellite

		Performance agreements			Performance Agreements for S54/56 Managers	Performance Agreements for S54/56 Managers	offices
		Number of S54/56 Performance Assessment Reviews conducted by 30 June 2020	Number	R0,00	2 S54/56 Performance Assessment Reviews	2 S54/56 Performance Assessment Reviews	Administration and satellite offices
		Date of submission of the municipal 2018/2019 Annual report	Date	R0,00	2018/2019 Annual report	2018/2019 Annual report	Administration and satellite offices
Local Economic Development & Social Development	To improve the quality of lives for people within Nongoma municipality	Number of Special Programmes implemented	Number	R360,000	3 Special Programmes (Snr Citizens & Children, HIV/AIDS & Disability) implemented by 30 June 2020	Reports on 3 Special Programmes (Snr Citizens & Children, HIV/AIDS & Disability), attendance registers, pictures	All Wards
		Date of Youth Career Exhibition conducted	Date	R200,000	Youth Career Exhibition conducted by 30 June	Youth Career Exhibition report, attendance register and pictures	All Wards
		Number of Youth Council meetings conducted	Number	R84,160	4 Youth Council meetings conducted by 30 June 2020	Youth Council minutes, attendance registers	Administration and satellite offices
		Date Youth Day commemoration held	Date	R210,000	Youth Day commemoration event held by June 16 2020	Youth Day commemoration report, attendance register and pictures	All wards
		Number of Arts & Culture programmes conducted	Number	R0,00	2 Arts & Culture programmes (Ingoma Festival & Isicathamiya competition) implemented by 30 June 2020	Report on 2 Arts & Culture programmes (Ingoma Festival & Isicathamiya competition), attendance registers and pictures	All wards

		Number of sports programme conducted	Number	R370,000	4 Sports programme implemented by 30 June 2020	Reports on 4 Sports programme implemented, attendance registers and pictures	All wards
		Date Mayoral Excellence Award ceremony conducted	Date	R155,000	Mayoral Excellence Award ceremony conducted by 31 March 2020	Report on Mayoral Excellence Award ceremony, attendance register and pictures	Administration and satellite offices
Good Governance & Public Participation	To integrate Risk Management, Compliance processes into the performance management system of the organisation	Date of Risk Management Committee established	Date	R0,00	Established Risk Management Committee by 31 December 2019	Minutes of the meeting that established Risk Management Committee, attendance register	Administration and satellite offices
		Number of Risk Management Committee meetings	Number	R0,00	4 Risk Management Committee meetings conducted by 30 June 2020	4 minutes for 4 Risk Management Committee meetings conducted	Administration and satellite offices
	To ensure Institutional accountability and transparency	Number of Audit Action Plan reports submitted to Audit Committee		R0,00	4 Audit Action Plan reports submitted to Audit Committee by 30 June 2020	4 Audit Action Plan reports	Administration and satellite offices
		Number of Audit Committee meetings conducted	Number	R0,00	4 Audit Committee meetings conducted by 30 June 2020	4 minutes for 4 Audit Committee meetings conducted	Administration and satellite offices
		Number of Back-2-Basics Support Plans submitted to COGTA	Number	R0,00	4 Back-2-Basics Support Plans submitted to COGTA	4 Back-2-Basics Support Plans	Administration and satellite offices
	To promote effective public participation in the affairs of the municipality	Date of adopting Public Participation Framework	Date	R0,00	Public Participation Framework	Public Participation Framework, Council adoption	Administration and satellite offices
		Number of Public Participation reports submitted to EXCO	Number	R0,00	2 Public Participation reports submitted to EXCO	2 Public Participation reports	Administration and satellite offices

		Number of reports on the implementation of the Communication strategy	Number	R684 000	2 reports submitted by 30 June 2020	2 reports on the implementation of the Communication strategy	Administration and satellite offices
		Number of IDP RF meetings conducted	Number	R0,00	4 IDP RF meetings conducted by 30 June 2020	4 minutes for 4 IDP RF meetings conducted	Administration and satellite offices
		Number of 2020/2021 consultative meetings conducted	Number	R63,120,00	2020/2021 consultative meetings conducted by 31 December 2019	Report on 2020/2021 Consultative meetings, attendance register and pictures	All Wards
		Number of 2020/2021 Mayoral IDP/Budget roadshows conducted	Number	R0,00	2020/2021 Mayoral IDP/Budget roadshows conducted by 30 April 2020	Report on 2020/2021 Mayoral IDP/Budget roadshows, attendance register and pictures	All Wards
Cross-Cutting Interventions	To provide strategic planning support across the organization, i.e. IDP	Date of adopting the 2020/2021 IDP Process plan	Date	R0,00	Council-adopted 2020/2021 IDP Process Plan by 31 August 2019	2020/2021 IDP Process Plan, council adoption	Administration and satellite offices
		12 IDP Steering Committee meetings conducted	Number	R0,00	Number of IDP Steering Committee meeting conducted	12 reports on IDP Steering Committee meetings, minutes and attendance registers	Administration and satellite offices
		Date of the Municipal Strategic Planning Session conducted	Date	R130,000	Strategic Planning Session held by 31 December 2019	Report on the Strategic Planning Session (Resolutions), attendance register	Administration and satellite offices
		Council-adopted IDP by 30 June 2019	Date	R0,00	Date of adopting of an IDP document		Administration and satellite offices

PLANNING AND DEVELOPMENT SERVICES							
National KPA	Strategic Objectives	Key Performance Indicator	Unit of measure	Budget	Annual Target	POE	Regional Identifier/Ward
Cross-Cutting Interventions	To promote a functionally structured urban and rural spatial development pattern guided by identified nodes and corridors through an effective land use management system	Date of adopting the Spatial Development Framework (SDF)	Date	R0,00	Council-adopted SDF by 31 December 2019	Spatial Development Framework (SDF) and council approval	Administration and satellite offices
		Number of SPLUMA applications reports submitted to Joint Municipal Planning Tribunal(JMPT)	Number	R0,00	2 SPLUMA applications reports submitted to JMPT	2 SPLUMA applications reports	Administration and satellite offices
		Date of adopting the Climate Change Response Strategy	Date	R300,000	Council-adopted Climate Change Response Strategy by 30 June 2020	Climate Change Response Strategy and council adoption	Administration and satellite offices
Basic Service Delivery & Infrastructure Development	Prepare & endorse a strategic planning document to guide and promote Human Settlements within Nongoma LM	Date of adoption of Nongoma Human Settlement Sector Plan by Council	Date	R0,00	Council-adopted Human Settlement Plan by 31 December 2019	Human Settlement Plan and council adoption	Administration and satellite offices
Local Economic Development & Social Development	Promote SMME and entrepreneurial development	Number of SMME and entrepreneurial programmes promoted	Number	R590,000	3 SMME and entrepreneurial programmes (business Seminar, Tourism/Heritage round table session and Reinstatement of Informal trading shelters) promoted by 30 June 2020	Report on 3 SMME and entrepreneurial programmes (business Seminar, Tourism/Heritage round table session and Reinstatement of Informal trading shelters), attendance registers and pictures	Ward 19
	Develop and promote Tourism potential of	Date of Development of Palace Routes & Signage by 30 June	Date	R190,000	Palace Routes & Signage by 30 June	Palace Routes & Signage report	All Wards

	Nongoma municipality	2020			2020		
		Number of tourism exhibitions attended by 30 June 2020	Number	R150,000	2 tourism exhibition (Tourism Indaba 2020/Enyokeni Royal Reed dance) attended by 30 June 2020	Report on 2 tourism exhibition (Tourism Indaba 2020/Enyokeni Royal Reed dance) attended	Administration and satellite offices
		Date of transfer of the grant fund to Nongoma CTO	Date	R0	Grant Transfer to Nongoma Community Tourism Organisation	Proof of Grant transfer of Community Tourism Organisation grant	Administration and satellite offices
	Implement LED Strategy	Date for obtaining Prospecting Mining Rights Application	Date	R100,000	Prospecting Mining Rights application conducted by 30 June 2020	Report on Prospecting Mining Rights application	Administration and satellite offices
	To improve the quality of lives for people within Nongoma municipality	Number of poverty alleviation programmes identified & implemented	Number	R1000,000	Number of poverty alleviation programmes identified and implemented by 30 June 2020	Report and proof of delivery of poverty alleviation programmes	All wards
<b>SOCIAL &amp; PROTECTION SERVICES</b>							
Cross-Cutting Interventions	To promote a functionally structured urban and rural spatial development pattern guided by identified nodes and corridors through an effective land use management system	Number of reports on the implementation of Disaster Management Plan	Number	R800,000	4 reports on Disaster Management Plan implementation.	A report covering Advisory forum, awareness campaigns and incident report	Administration and satellite offices
Basic Service Delivery & Infrastructure Development	Improved basic service delivery, infrastructure development and social facilities	Number of households with access to refuse removal by 30 June 2019	Number	R0	590 households with access to refuse removal by 30 June 2020		Administration and satellite offices

	Promote healthy and safety environment	Number of waste management campaigns conducted by June 2020	Number	N/A	2 waste management campaigns conducted by 30 June 2020	2 reports on 2 waste management campaigns conducted, attendance register and pictures	Ward 19
Local Economic Development & Social Development	To improve the quality of lives for people within Nongoma municipality	Number of road safety awareness campaigns conducted	Number	R100,000	2 road safety awareness campaigns conducted by 30 June 2020	2 reports on 2 road safety awareness campaigns conducted, conducted, attendance register and pictures	Ward 19

#### FINANCIAL SERVICES DEPARTMENT

Improved Financial viability and sustainability	To ensure legally sound financial viability and management	Number of policies tabled to Council in compliance with MFMA Section 64(2)(a)	Number	R0,00	3 policies (Tariff Policy; Credit Control; Debt Collection Policy) tabled to Council for approval by 31 May 2020	3 policies (Tariff Policy; Credit Control; Debt Collection Policy) and council adoption	Administration and satellite offices
		Ratio in compliance with MFMA Section 64(2)(a)	Ratio	R0,00	Outstanding Service Debtors to Service Revenue ratio maintained at less than 30 percent throughout the 2019/2020 FY		Administration and satellite offices
		Ratio in compliance with MFMA Section 65(2)(e)	Ratio	R0,00	More than 1 Debt coverage Ratio maintained throughout the 2019/2020 FY		Administration and satellite offices
		Date of compliance with MFMA Section 65(2)(c)	Date	R0,00	Cash and Accounts Payable Management Policy		Administration and satellite offices

					approved by Council by 31 May 2020		
		Ratio compliance with MFMA Section 65(2)(e)	Ratio	R0,00	More than 1 Cost Coverage Ratio maintained throughout the 2019/2020 FY		Administration and satellite offices
		Date of adoption of Budget	Date	R0,00	2020/2021 MTREF approved by Council by 31 May 2020		Administration and satellite offices
		Number of reports submitted to Mayor in compliance with MFMA Sec.71	Number	R0,00	Report Monthly to the Mayor in Terms MFMA Section 71		Administration and satellite offices
		Number of reports in compliance with MFMA Sec.52, 66 & 72	Number	R0,00	Report Quarterly to Council in terms of MFMA Sec 52, 66 & 72 during 2019/2020 FY		Administration and satellite offices
		Date of adoption of a Procurement Plan	Date	R0,00	2019/20 Annual Procurement Plan adopted by 31 Jul 2019; with 2020/2021 Annual Procurement Plan adopted by 30 June 2020	2019/20 Annual Procurement Plan and council adoption	Administration and satellite offices
		Number of procurement plan implementation reports submitted to Council	Number	R0,00	3 Procurement Plan implementation reports submitted to Council for noting by 30 June 2020	3 Procurement Plan implementation reports	Administration and satellite offices
		Percentage compliance with MFMA Section 131(1)	Percentage	R0,00	100% of 2018/2019 Auditor General Findings raised against the Finance Department resolved by 30 Nov 2019		Administration and satellite offices
		Percentage compliance with DORA Section 21 - Unspent Conditional Grants	Percentage	R0,00	100% of MIG grant cash backed throughout 2019/2020 financial year.		Administration and satellite offices

		Percentage compliance with MFMA Section 69(1)(a)	Percentage	R0,00	Maintain > 95% spending on operating Adjusted budget by 30 June 2020	Report on cashflow	Administration and satellite offices
		Percentage compliance with MFMA Section 69(1)(b)	Percentage	R0,00	Maintain >95% implementation of Service Charges Revenue Budget evenly throughout 2019/2020 financial year.	Report on implementation of Service Charges Revenue Budget	Administration and satellite offices
	Effectively Implement asset management regulation	Number of reports tabled to Accounting Officer in compliance with Asset Management Regulations	Number	R0,00	2 Asset Management reports to the Accounting Officer during 2019/2020 FY	2 Asset Management reports	Administration and satellite offices

## **8. SECTION H: ORGANIZATIONAL AND INDIVIDUAL PMS**

### **8.1. ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS) -2019/2020**

#### **8.1.1. Preferred Performance Management Model**

A performance management model can be defined as the grouping together of performance indicators, sometimes based on the type of indicator, into logical categories or groups (often called perspectives), as a means to enhance the ability of an organisation to manage and analyse its performance. In this way the model provides a common framework for what aspects of performance are going to be measured and managed. It further ensures that a balanced set of measures are employed that do not rely on only one facet of performance but represent a holistic and integrated assessment of the performance of an organisation. Models have proved useful in performance management for the following reasons. They provide:

##### **Simplicity**

A good model organise what would otherwise be a long list of indicators attempting to sufficiently cover performance, into a set of categories sufficiently covering all key areas of performance.

##### **Mapping of Inter-relationships**

Models map out the inter-relationships between different areas of performance. These inter-relationships relate to the extent to which poor performance in a particular category would lead to poor performance in other related areas and the converse. These inter-relationships help in both the performance planning, analysis and review stages, particularly in the diagnosis of causes of poor performance.

##### **Alignment to strategic planning methodology**

A good model will align the processes of performance management to the strategic planning processes of the organisation. The categories of key performance areas provided by a model should relate directly to identify priority areas of the strategic plans of the organisation.

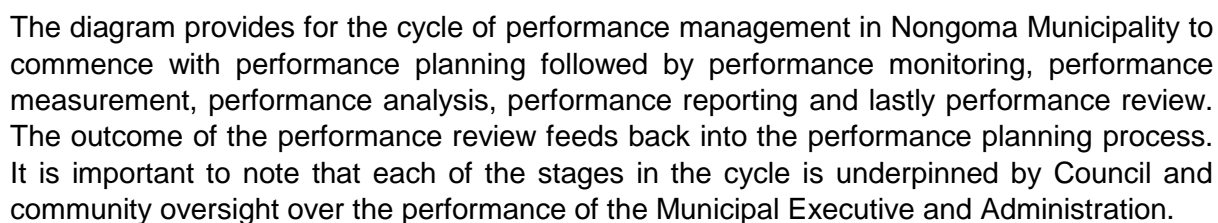
A number of performance models are available and any of them could be applied by the Municipality. The available models include the Municipal Scorecard, Balanced Scorecard and the Key Performance Area Model.

The Municipality has chosen as its preferred model the Key Performance Area model. In the said model all indicators are grouped together under the national key performance areas and the local key performance areas as per the municipal IDP. The said Model therefore enables Nongoma Municipality to assess its performance based on the national key performance areas and its own local key performance areas.

The following KPAs inform the OPMS of the Municipality:

1. Municipal Transformation and Institutional Development
2. Basic Service Delivery
3. Local Economic Development
4. Municipal Financial Viability and Management
5. Good Governance and Public Participation
6. Cross Cutting Interventions

The process of managing performance at organisational level in the Municipality involves the stages as set out in the diagram below:



The performance of the Municipality is to be managed in terms of its IDP and the process of compiling an IDP and the annual review thereof therefore constitutes the process of planning for performance.

Performance monitoring is an ongoing process by which a manager accountable for a specific indicator as set out in the organisational scorecard (and a service delivery target contained in a SDBIP) continuously monitors current performance against targets set.

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each key performance indicator and against the target set for such indicator.

### **Performance analysis**

Performance analysis involves the process of making sense of measurements. It requires interpretation of the measurements as conducted in terms of the previous step to determine whether targets have been met and exceeded and to project whether future targets will be met or not. Where targets have not been met performance analysis requires that the reasons therefore should be examined and corrective action be taken.

### **Performance reporting and review**

The next two steps in the process of performance management namely that of performance reporting and performance review will be dealt with at the same time. This section is further divided into three sections dealing with the requirements for in-year versus annual reporting and reviews respectively and lastly a summary is provided of the various reporting requirements.

In the 2019/2020 FY PMS would have been cascaded to all line Managers below Section 57/54 Managers. As such, Managers would sign their individual Performance Management Plans in line with their respective job descriptions and the OPMS, and also their respective departmental SDBIPs.

#### **8.1.3. In-year performance reporting and review**

The submission of the scorecard to the Executive Committee for consideration and review of the performance of the Municipality as a whole is the next step in the process. The first such report is a major milestone in the implementation of any OPMS and it marks the beginning of what should become a regular event, namely using the performance report as a tool to assess and review the Municipality's performance and to make important political and management decisions on how the municipality can improve its performance.

As indicated earlier it is recommended that the organisational scorecard be submitted to the Executive Committee for consideration and review on a quarterly basis. The reporting should therefore take place in October (for the period July to end of September) January (for the period October to the end of December), April (for the period January to end of March) and July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment as per Section 72 of the MFMA. This Section determines that the accounting officer must, by 25 January of each year, assess the performance of the municipality and report to the Executive Committee via the Mayor on, inter alia, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP.

Performance review is the process whereby the leadership of an organisation, after the performance of the organisation has been measured and reported to it, reviews the results and decides on appropriate action to be taken. The Executive Committee, when reviewing the organisational scorecard submitted to it, will have to ensure that the targets committed to in the scorecard have been met, and where they have not, that satisfactory and sufficient reasons for this have been provided by senior management and that the sufficient and appropriate corrective action has been proposed to address the reasons for poor performance. If satisfied with the corrective action as proposed these must be adopted as formal resolutions of Council and must be minuted and actioned accordingly.

Section 44(4) of the Municipal Structures Act, 1998 (Act 117 of 1998) as amended requires that the Executive Committee must report to Council on all its decisions taken. The outcome of the quarterly performance reviews by the Executive Committee must, in line with this

requirement, be reported to the full Council for it to perform its oversight function over the performance of the Municipal Executive and Administration. In doing so Council must review the decisions taken and resolve whether it is satisfied with the corrective action adopted by the Executive Committee. If they are not then the Executive Committee recommendation must be amended accordingly and the amendments minuted and actioned.

#### **8.1.4. Annual performance reporting and review**

A comprehensive report on the performance of the Municipality also needs to be compiled on an annual basis. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary the MFMA requires that:

- All municipalities for each financial year compile an annual report which report must include the municipal performance report
- The annual report be tabled within seven months after the end of the financial year
- The annual report be made public immediately after it has been tabled and that the local community be invited to submit representations thereon
- The municipal Council considers the annual report within nine months of the end of the financial year and adopts an oversight report containing the Council's comments on the annual report
- The oversight report as adopted be made public
- The annual report as tabled and the Council's oversight report be forwarded to the Auditor-General, the Provincial Treasury and the Department responsible for local government in the Province
- The annual report as tabled and the Council's oversight report be submitted to the Provincial legislature.

It is important to note that the municipal performance report of a municipality is only one element of the annual report. To ensure that the annual report compilation, tabling and review process is completed in time to inform the next cycle of performance planning in accordance with the IDP compilation/review process, it is recommended that the annual performance report be compiled and completed as soon after the end of each financial year as possible but ideally not later than two months after financial-year end.

The oversight report to be adopted provides the opportunity for the full Council to review the performance of the Municipality in line with its oversight role. The requirement that the annual report, once tabled, and the oversight report be made public also provides a mechanism for the general public to review the performance of the Municipality in line with the community's oversight role.

In order to facilitate the oversight process it is recommended that a municipal oversight committee be established consisting of a selected number of Councillors not serving on the Executive Committee. Council should also consider in line with oversight best practice that the chairperson of the oversight committee be a member of an opposition party.

The oversight committee will be responsible for the detailed analysis and review of the annual report and the drafting of the oversight report. In doing so the committee must establish mechanisms to receive and review representations made by the public on the annual report and also seek inputs from other Councillors and Council portfolio committees. Such mechanisms could involve all or any combination of the following:

- Producing a user-friendly citizens' report in addition to the annual report for public consumption. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.
- Using of various forms of media including radio, newspapers and billboards to convey the annual report.
- Inviting the public to submit comments on the annual report via telephone, fax and email.
- Holding public hearings in a variety of locations to obtain their input on the annual report.
- Making use of existing structures such as ward and/or development committees to disseminate the annual report and invite comments.
- Debating the annual report at a meeting of the IDP Representative Forum
- Hosting a number of public meetings or roadshows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public are invited to comment.
- Posting the annual report on the council website and inviting input

It is further proposed that the oversight committee functions as a standing committee on municipal accounts (municipal scopa). As such the committee must examine:

- the financial statements of all executive organs of Council;
- any audit reports issued on those statements;
- any reports issued by the AG on the affairs of any municipal entity; and
- any other financial statements or reports referred to the committee by Council.
- may report on any of those financial statements or reports to Council;
- may initiate any investigation in its area of competence; and
- must perform any other oversight function assigned to it by resolution of Council.

As the oversight committee performs an oversight function on behalf of Council it is not a duplication of, and must not be confused with either the audit committee or the finance portfolio committee. The audit committee is an independent advisory body that advises Council and the Executive on financial and risk matters and can act as an advisory body to the oversight committee. The finance portfolio committee deals with financial management issues such as budgetary, revenue and expenditure management and supply chain management.

## 9. PROJECTS FOR 2019/2020 FY

### 9.1 Infrastructure Projects

#### 9.1.1. BREAKDOWN OF INFRASTRUCTURE PROJECTS – 2019/2020

Projet Name	Type	Ward	Amount
Mphuphusi Sports Facility	Sports facility	5	R601 717.27
Mona Sports Field	Sports facility	4	R884 810.00
Upgrade of Buxedene to Mission gravel road	Road	8	R1 266.13
Qedumaona Sports facility	Sports facility	11	R120 000.00
Upgrade of kwamatsheketshe gravel road	Road	2	R121 265.77
Upgrade of Nkolweni gravel road	Road	10	R4 383.20
Upgrade of Mankulumane gravel road	Road	15	R973 811.26
Emzweni Community Hall	Community Hall	18	R251 444.34
Ekubuseni creche	Creche	13	R111 843.54
Ophaphasi Community Hall	Community Hall	5	R800 000.00
Sgubudu Community Hall	Community Hall	12	R1 300 000.00
Upgarde of Bhuqweni gravel road	Road	17	R1 134 610.00
Upgrade of Matshamhlophe gravel road	Road	12	R1000 000.00
EMaye Community Hall & Creche	Creche	11	R1000 000.00
Upgarde of Foma gravel road	Road	15	R1000 000.00
Upgrade of Esikhaleni roads	Road	9	R2000 000.00
Nqokotho Hall	Community Hall	16	R1 500 000.00
Ugrading of Siyondlo gravel road	Road	21	R2 000 000.00
Upgrading of Gobamagagu road	Road	19	R2 000 000.00
Kwansele creche	Creche	14	R2 249 040.49
Streets Lights in Nongoma town	Street Lights	19	R1 625 149.49
Ndololwane Creche	Creche	16	R2 000 000.00
Esigangeni road	Road	20	R500 000.00
Upgrade of Nzondwane to Ndongane Low-level Bridge/gravel road			R400 000.00
Upgrade of Qondile to KwaJuba Low Level Bridge/gravel road			R3 100 000.00
PMU Support	PMU Support		R1 593 650.00
<b>TOTAL</b>			<b>R31 873 000.00</b>

Mangamhlophe Sportsfield	Sportsfield		R3 000 000.00
Mfanela Road and Causeway	Road/Causeway		R3 000 000.00
<b>TOTAL</b>			<b>R6 000 000.00</b>
<b>ELECTRIFICATION PROJECTS</b>			
Mcakwini/Nkukhwini	160 Connections	1	R4 029 000.00
Ebuhleni	160 Connections	2	R2 720 000.00
Dabhazi	73 Connections	11	R1251 000.00
Bonjeni (ward 4)	20 Connections	4	R150 000.00
<b>TOTAL</b>			<b>R8 000 000.00</b>
<b>PROPERTY PLAN &amp; EQUIPMENT</b>			
Vehicles & Grader	Vehicles		R8 015 004.00
Furniture & Equipment			R1 942 000.00
<b>TOTAL</b>			<b>R9 957 004.00</b>

**Included in the Operating Budget are the Following Allocations:**

1) Employee Costs	R89 491 000
2) Councillors Remuneration	R 15 487 000
3) Youth Career Exhibition	R85 000.00
4) Consolidate Infrastructure Plan	R400 000.00
5) Road & Safety Awareness Campaign	R100.000.00
6) Keep Nongoma Clean Campaign	R190 000.00
7) Donation	R500 000.00
8) Mayoral Half Marathon	R375 000.00
9) Development of Palace Route	R80 000.00
10) Finalisation of Goat Farming	R500 000.00
11) Mining Rights Application (10)	R100 000.00
12) Health & Safety Campaign	R71 000.00
13) Information Communication Technology (ICT)	R1005 000.00
14) Town Rehabilitation Plan	R300 000.00
15) Climate Change Response Strategy	R300 000.00
16) Environmental Awareness Campaign	R150 000.00
17) Strategic Environmental Assessment	R300 000.00

<b>18)</b> Disaster Management programme	R500 000.00
<b>19)</b> Waste Management programme	R600 000.00
<b>20)</b> Mayoral Matric Excellence Awards	R155 000.00
<b>21)</b> Youth Programme	R320 000.00
<b>22)</b> Disability programme	R260 000.00
<b>23)</b> Children & Elderly programme	R180 000.00
<b>24)</b> Women Programme	R190 000.00
<b>25)</b> Mayoral Support Programme (Drivers; licenses)	R50 000.00
<b>26)</b> Sports Development	R150 000.00

## 9.2. HUMAN SETTLEMENT PROJECTS

### 9.2.1. CURRENT CONSTRUCTION STAGE PROJECTS:

No:	PROJECT NAME	Budget	Wards	Total Units	Units Constructed	STATUS
1.	Osuthu B Project		16, 17, 18	2000	650	Construction Stage
2.	Matheni B Project		10,13	2000	600	Construction Stage
3.	Nkukhwini Project		01	3000	600	Construction Stage
4.	Kombuzi Projects		03	1500	500	Construction Stage
5.	Nkunzana Project		18	1800	600	Construction Stage
6.	Zidwadweni Project		05	1200	600	Construction Stage
7.	Vuna Project		14	2000	600	Construction Stage
8.	Siyazama Project		15	1000	500	Construction Stage
9.	Khokhwaneni Project		04,06	3000	300	Construction Stage

### 9.2.2. PLANNING STAGE PROJECTS

No:	Projects Name	Budget	Wards	Total Units	STATUS
1.	Mpunzana Project		21	1800	Awaiting for Funding from DoHS
2.	Mandlakazi A Project		06,08	2000	Awaiting for Funding from DoHS
3.	Mandlakazi B Project		02,03,05,07	2000	Awaiting for Funding from DoHS
4.	Osuthu A Project		09,14,20	2000	Awaiting for Funding from DoHS
5.	Matheni A Project		12	2000	Awaiting for Funding from DoHS
6.	Mhambuma Project		15	1000	Awaiting for Funding from DoHS
7.	Bhuqwini Project		17	1200	Awaiting for Funding from DoHS

### 9.2.3. PIPELINE PROJECTS

No:	Projects Name	Budget	Wards	Total Units	STATUS
1.	Ndongande Project		07	2000	Waiting Approval to Stage 1
2.	Nqokotho Project		16	2100	Waiting Approval to Stage 1
3.	Makhalaneni Project		02	2000	Waiting Approval to Stage 1
4.	Sigodiphola Project		20	2000	Waiting Approval to Stage 1
5.	Maduma Project		18,20	1000	Waiting Approval to Stage 1

### 9.3. SECTOR DEPARTMENTAL PROJECTS

Project Name	Funding Department	Ward	Amount
Majomela Small-scale Manufacturing	Department of Economic Development Tourism & Environmental Affairs (EDTA)	17	R4 250 000
Nongoma Single Land-use Scheme	Department of Rural Development and Land Reform (DRDLR)	All wards	R2 000 000
Youth Community Outreach Programme	Department of Environmental Affairs (DEA)	All wards	Not stated
Nongoma Single Land-use Scheme	KZN Department of Co-Operative Governance & Traditional Affairs (COGTA)	All wards	R2 000 000

## **10. SECTION K: APPENDICES**

**Appendix 1 – Approved Municipal Organogram**

**Appendix 2 – ORGANISATIONAL SDBIP**

**Appendix 3 – Nongoma Local Municipality Spatial Development Framework:  
Status Quo Report (2019)**

**Appendix 4 – Nongoma Local Municipality Disaster Management Plan**

**Appendix 5– Audit Action Plan**

**Appendix 6 – Indigent Policy**

**Appendix 7– Service Delivery Charter & Standards**

**Appendix 8 – Service Delivery Improvement Plan**

**Appendix 9 – Investment register**